



A couple of teenagers rollerskate down a Tel Aviv street in what may be the next craze after skateboarding.

Militias battle Syrians in new Beirut fighting

BEIRUT (AP). — Night-long street fighting broke out between Christian militiamen and Syrian troops in downtown Beirut...

Ten dead as freak storm causes havoc at yacht race

PLYMOUTH. — A freak summer storm spawned in the South Atlantic slammed into 330 racing yachts off the south coast of Ireland yesterday...

Catalan autonomy statute in works

MADRID (AP). — A constitutional committee of Spain's lower house yesterday approved an autonomy statute for the Catalan region...

Morocco annexing West Sahara area as new province

RABAT (Reuters). — King Hassan yesterday announced that Morocco was taking over an area of the disputed Western Sahara...

Strike blamed for unprecedented El Al loss

TEL AVIV. — El Al lost \$23.9m. in fiscal year 1978/79, \$16.6m. of it because of the April 1978 21-day strike by airline personnel...

Square deal for flying corncocks

WALTHAM, Massachusetts (AP). — A Massachusetts geneticist has developed a square ear of sweet corn...

Egypt needs Mt. Sinai for celebration

CAIRO (AP). — Egypt has laid elaborate plans to celebrate the second anniversary of President Anwar Sadat's 1977 trip to Jerusalem...

Rabin, Peres meet Dayan—separately

By SARAH HONIG, Post Political Reporter. TEL AVIV. — Foreign Minister Moshe Dayan last night met separately at his home with the Labour Party's two arch-rivals...

Rabinowitz dies at 68

Jerusalem Post staff. Labour MK Yehoshua Rabinowitz, former finance minister and Tel Aviv mayor, died yesterday at the age of 68...

Yadin off to explain Israel in U.S.

By ASHER WALLFISH, Jerusalem Post Reporter. Deputy Premier Yigael Yadin leaves today for the U.S. on a 10-day information mission.

Industry, Histadrut slam compensation deal

By JOSHUA BRILLIANT, Jerusalem Post Reporter. TEL AVIV. — Both the Manufacturers Association and the Histadrut yesterday criticized, for different reasons, Finance Minister Simcha Ehrlich's proposal to compensate employees for all price rises.

present employees are compensated for only 70 per cent. "If you begin the negotiations by offering 100 per cent what are you left to negotiate about? That's what you offer when you intend to lose your pants," a source said.

and ways to induce workers to increase productivity and work on night shifts, he told secretaries of labour councils. Civil Service Commissioner Avraham Friedman is also known to object to Ehrlich's reported package proposal.

Strike blamed for unprecedented El Al loss

By BARUCH SAVILLE, Jerusalem Post Reporter. TEL AVIV. — El Al lost \$23.9m. in fiscal year 1978/79, \$16.6m. of it because of the April 1978 21-day strike by airline personnel...



El Al board chairman Mordechai Ben-Ari makes a point during his press conference yesterday.

'Seductive' female voices muzzled at Wall

By JUDY SIGEL, Jerusalem Post Reporter. About 40 Jewish women were forced by police and soldiers to leave the Western Wall area in Jerusalem early yesterday morning at the order of the "rabbi of the Wall" because they had been singing prayers and religious songs alongside men.

Shlomo Carlebach, the last musician to perform, invited the audience to continue the singing at the holy site and accompanied 30 of the concertgoers to the Wall. "We stood in the rear part of the plaza, and not near the Wall, singing along with the rabbi," related Haya Posner, a California tourist who is the wife of a Reform rabbi.

women to sing at the site. "I must protect the Halacha," he said. "According to Jewish law, a woman's (singing) voice is seductive, and men may not hear it. I'm a pretty flexible Jew. If no one else had been there, I might have disregarded it; but there were about 15 worshippers at the Wall after midnight."

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Cairo, Washington agree on arms deliveries

CAIRO (UPI). — Egypt and the U.S. have reached agreement on the priorities of the delivery of U.S. arms to Egypt, a Defence Ministry spokesman said yesterday.

Young not first U.S. envoy to meet PLO Admits he 'misled' State Dep't

By WOLF BLITZER, Jerusalem Post Correspondent. WASHINGTON. — U.S. Ambassador Andrew Young's unauthorized meeting with the PLO observer at the UN was not inadvertent — and it was not the only recent meeting between U.S. and PLO officials.

Wolf's meeting with Sartawi, the sources said, was held before the Austrian Chancellor Bruno Kreisky's reception of PLO leader Yasser Arafat in Vienna at last month's gathering of the Socialist International.

Wolf was informed by the State Department that such contacts violate the U.S. policy of not dealing with the PLO until that organization accepts UN Security Council Resolution 242.

Young himself admitted yesterday he had deliberately misled his State Department superiors in that his meeting with Terzi had not been pre-arranged.

Young said while he might "shade truth" to his superiors so as to "keep down trouble," he was now telling the truth for the sake of preserving the trust of the Israeli ambassador to the UN, Yehuda Blum, and the Israeli ambassador in Washington, Ephraim Evron.

Blum not reassured by U.S. explanation of Young's talks

By MALKA RABINOWITZ, Jerusalem Post Correspondent. UNITED NATIONS. — Israel's concern over the thrust of U.S. Middle East policy does not appear to have been substantially allayed by Washington's decision to try to seek postponement of a scheduled Security Council meeting on August 23 about "Palestinian rights."

Blum said he would not have "been involved in this" had it not been that he was chairman of the Security Council for the month of August.

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Yadin off to explain Israel in U.S.

By ASHER WALLFISH, Jerusalem Post Reporter. Deputy Premier Yigael Yadin leaves today for the U.S. on a 10-day information mission.

Israel-Egypt oil details await Begin-Sadat meet

By ASHER WALLFISH Post Knesset Reporter
Certain final details relating to Egyptian oil supplies to Israel after the evacuation of the Alma fields will only be cleared up when President Anwar Sadat meets Premier Menachem Begin in Haifa on September 5.

clarify various aspects of the handover, and the oil transactions afterwards.
Moda'i said that discretion and an absence of publicity were to the advantage of both countries as far as their oil relations were concerned.

Martha Graham dance props arrive through El-Arish

Jerusalem Post Reporter
Israelis and Egyptians yesterday contributed to cultural advancement when workers from both sides laboured in the hot El-Arish sun to transfer equipment brought from Cairo by famed dancer Martha Graham and her company to Israel.

will be addressing audiences in Tel Aviv and Jerusalem at two performances of her company, which will stage more than a dozen of her works, some of which were created as recently as last year.
Martha Graham will meet the press in Tel Aviv tomorrow and will speak at Saturday night's performance at the Habimah Theatre.



A yeshiva student sifts through the remains of prayerbooks and tefillin in the burnt-out storeroom at the Strepok synagogue in Jerusalem, which caught fire yesterday.

TA court convicts three 'Rosh Ha'ayin shack' rapists

By YORAM BAE Jerusalem Post Reporter
TEL AVIV. — Referring in their verdict to a horrifying picture of sadistic abuse, a panel of three Tel Aviv District Court judges yesterday convicted three men in the "Rosh Ha'ayin shack" rape and sodomy case. A fourth defendant in the case was acquitted.

the back of Fadal's van, and the girl was taken to the shack, rather than to a discotheque. There she was raped and sodomized by Hahashah, Fadal and Wahab, who had been waiting at the shack, the court found.
Judges Shlomo Levin, Mordechai Ben-Dror and Elahu Vinograd said in their verdict that a "horrifying picture of sadistic abuse" had been revealed in the case. "The plaintiff was so petrified of Gavriel Hahashah's threats that she would have been his slave, as she said," the judges found.

Falafel stand owner released on IL2m. bail

TEL AVIV. — Several restaurant and falafel stand owners were released on bond yesterday after appearing in magistrate court here suspected of concealing income running into millions of pounds.
Among those released was the owner of the Nissim falafel stand in Tel Aviv's Bezalel Market, on a bond of IL2m. (IL1m. in cash). He is alleged to have concealed annual income of some IL2m., on which about IL3.5m. was due in VAT.

Hutch coming with girl, not Starsky

Jerusalem Post Reporter
Television star and singer David Soul will visit Israel at the end of the month, accepting an invitation to be the guest of honour at the 1979 Young Miss Israel pageant.
Soul, the blond star of the popular television show "Starsky and Hutch," will be arriving with his girlfriend, singer Martha Lane, and will be here for nine days.

Rafiah settlers said making 'ridiculous' compensation bid

By HARRY WALL Jerusalem Post Reporter
YAMIT. — The negotiations between the Rafiah-area settlers and the government over compensation for evacuating the region have taken a sharp turn for the worse, according to representatives of both sides.
"The settlers are making ridiculous demands," said a source close to Agriculture Minister Ariel Sharon, who is handling the evacuation of the farm settlements.
The source said that the representatives of the Rafiah-area settlers are asking for IL2.6m. compensation for each house, plus another IL1m. to IL1.5m. for the time they lived in the area. The region will be handed over to Egypt in two years, according to the terms of the peace treaty.

could collect 80 per cent of the value of their homes in advance compensation payments. Levy, who visited Yamit on Monday, proposed that housing compensation range from IL1.3m. for a three-room apartment to IL2.3m. for a four-room cottage, but the final award is subject to further negotiations.
Levy rejected the residents' request that the government build a new community for Yamit at Michmoret, a valuable coastal site near Hadera, as "completely out of the question."
Levy, instead, encouraged the Yamit residents to relocate as a block to Ashdod or Ashkelon, where the government would build them houses comparable to the ones they have now. The matter will be put before a town assembly scheduled for later this week.

Others released included the owners of the Shipudei Medina restaurant in Holon's Struma Square, who are alleged to have declared an annual turnover of IL2.2m. when the tax authorities assess that they made some IL1.2m. They posted a IL500,000 bond each. The owners of the Duchan Shaul restaurant were released on a bond of IL1m. each, and the two owners of the "Me and Me" pizzeria, on bond of IL300,000 and IL500,000.

IDF to bivouac in Negev towns

Post Economic Reporter
IDF officers slated to serve at the new bases being prepared in the Negev will be residents of development towns in the region, and not live on the bases, the Ministerial Social Affairs Committee decided yesterday.
The committee also decided that no new towns will be built in the area, Deputy Prime Minister Yigael Yadin said after the meeting.
The committee accepted Social Affairs Minister Israel Katz's recommendation that the army coordinate its housing plans with the centre for promoting development towns.

Two dead, 24 hurt, in 14 road accidents

Two people were killed and 24 were injured in 14 road accidents during the 24-hour period ending yesterday morning.
Seven accidents in the south claimed two lives and caused 12 injuries; six accidents in the north injured 11.
Since the beginning of this year, 483 people have been killed on the country's roads. (Itim)

Table with 3 columns: Location, Yesterday's Humidity, Today's Max. Locations include Jerusalem, Golan, Nahariya, Safad, Haifa Port, Tiberias, Nazareth, Afula, Samaria, Tel Aviv, B-G Airport, Jericho, Gaza, Be'erSheva, Ellat, Tiran Straits.

Obituary notice for Yehoshua Rabinowitz, Member of Knesset and former Minister of Finance, a righteous man of action and ideas.

Obituary notice from Tel Aviv University mourning the passing of its faithful friend, builder and supporter, MK Yehoshua Rabinowitz.

Obituary notice from The Tel Aviv Foundation for Literature and Art announcing in deep sorrow the death of Yehoshua Rabinowitz, founder of the Foundation and chairman of its Board of Directors.

Large obituary notice for Yehoshua Rabinowitz, 'is no more'. The funeral will take place on Thursday, 23 Av, 5739 (August 16, 1979). The coffin will lie in state in the lobby of the Tel Aviv-Jaffa Municipality building from 11 a.m. At 1 p.m. the funeral will leave from the Municipality building for the Old Cemetery in Rehov Trumpeldor.

Obituary notice for MK Yehoshua Rabinowitz, Former Finance Minister, Mayor of Tel Aviv-Jaffa. A man of wide-ranging activities and great compassion, who accomplished much and asked nothing for himself. He will not be forgotten. Funeral arrangements: The funeral will take place on Thursday, 23 Av, 5739, August 16, 1979. The body will lie in state in the lobby of the Tel Aviv-Jaffa Municipality building, and the public will pay their last respects between 11 a.m. and 1 p.m. At 1 p.m. the funeral service will take place, after which the cortege will proceed from the Municipality building to the Old Cemetery in Rehov Trumpeldor. Buses will be at the disposal of those attending the funeral. Citizens are asked to come and pay their last respects. Shlomo Lahat, Mayor of Tel Aviv-Jaffa.

Long remand asked in Pressman case

By YORAM BAE Post Police Reporter
TEL AVIV. — The district attorney's office asked the district court here yesterday that the four defendants in the El Al gold smuggling case be remanded until the end of the police investigation into the case. Judge Dov Levin said that he would rule on the request today.
The four defendants — El Al captain Akiva Pressman, Arkda branch manager in Lod Shalom Baruch, and two Jerusalemites, Moshe Dublinger and Yehoshua Weisel — were arrested last month after 50 kg. of gold was found in the Ra'anana home of Pressman's mistress, air hostess Michal Adar.

Edna Arbel, first senior deputy to the Tel Aviv district attorney, told the court that the police investigation into the affair will continue for at least another four months, and that the release of the defendants before then could hinder the investigation.
The defence attorneys objected to an extension of the remand of their clients. Pressman's attorney noted that his client had no criminal record and was suspected of a fiscal offence for which the maximum punishment is five years. A remand until the end of proceedings would be quite uncalled for, he said. The attorney for Dublinger and Weisel told the court that prison conditions do not suit his clients, who are strictly kosher.

Yadin may request Eurovision review

By JUDY SEGEL Jerusalem Post Reporter
Deputy Prime Minister Yigael Yadin hinted yesterday that he would bring to the cabinet for review a decision by the Broadcasting Authority not to host the 1980 Eurovision Song Contest in Israel.
Yadin, speaking on a Kol Yisrael radio interview show, said that the authority's board of directors does not have final say on such a decision. The effect of the song contest, which was held in Jerusalem last year, is enormous — since "500 million TV viewers watched it," Yadin asserted that the authority should take advantage of its right to host the event again by virtue of "Hallelujah" coming out ahead of all other songs.

The board voted to opt out of Eurovision because of the cost and manpower problem, among other reasons.
Authority director-general Yosef Lapid said TV House had informed the European Broadcasting Union (under whose auspices the contest is held) that Israel has bowed out.
DRUGS. — Ten suspects believed to be members of a Jewish-Arab gang that ran a drug ring in the North were arrested on Monday night by Galilee police. Police, who suspect the gang smuggled in drugs from Lebanon, said they had found IL100,000 worth of hashish and a handgun in one of the suspects' homes.

Obituary notice from Bar-Ilan University mourning the passing of Professor Sir ERNST BORIS CHAIN, Nobel prize winner, Honorary Doctor and member of the University's Board of Trustees.

Obituary notice from The Hebrew University of Jerusalem and its Board of Governors mourning the passing of Prof. ERNST B. CHAIN, distinguished member of the Board, and extend sincere condolences to the bereaved family.

Obituary notice mourning the untimely passing of our good friend IZHAK AVNI, Our sincere condolences to Lea and the entire family. Victor and Adrea Carter, Los Angeles, U.S.A.

Obituary notice for Prof. T. Sacks, We share your deep mourning on the death of your MOTHER, Staff of the Clinical Microbiology Laboratory, Hadassah, Ein Kerem and Mt. Scopus and nurse of the Epidemiology Unit. The Jerusalem Post very much regrets the mistake in the notice which appeared in yesterday's paper, erroneously indicating the death of Prof. Sacks' father.

Obituary notice from YAD VASHEM Martyrs and Heroes Remembrance Authority offering condolences to Arki Kulkas on the sudden passing of DAN, The Council, Management and Staff.

Advertisement for CLARIN APARTMENTS, featuring the slogan 'An Apartment Abroad?' and listing contact information for the company.

Investment incentives to strengthen J'lem

By ABRAHAM RABINOVICH Jerusalem Post Reporter. The government moved yesterday to strengthen Jerusalem by granting special incentives to science-based industry established in the capital...



One of the narrow streets of Tel Aviv's tiny Neve Zedek quarter is decorated with a banner proclaiming 'My City's Birthday' as 70th anniversary celebrations in the coastal city continued yesterday with a reconstruction of the early days of the neighbourhood, one of the oldest in the city. (IPPA)

Haifa, Beersheba pull out of student union

By ALAN ELSNER Jerusalem Post Reporter. Student unions at the Universities of Haifa and Beersheba and at the Technion announced yesterday that they will pull out of the National Student Union and form a new national organization in one month...

Aridor sees Kollek on stadium site

Jerusalem Post Reporter. Deputy Minister Yoram Aridor, mandated by Prime Minister Menahem Begin to find a solution to the Jerusalem stadium problem, met yesterday with Mayor Teddy Kollek for an exploratory talk...

Ohel apes Gush Emunim—settles' Mossad Talpiyot

By ROBERT ROSENBERG Jerusalem Post Reporter. Activists and followers of the Ohel Shalom quarter self-help organization, yesterday occupied an abandoned Jewish Aliya school on the outskirts of Jerusalem, claiming that 'settlement is the only way to get money from this government for developing Jewish communities'...

Shai, ILP forums to discuss merger

By SARAH HONG Jerusalem Post Reporter. EL AVIV. — Shai and the Independent Liberals will be deliberating separately this week over proposals that they form a single political entity...

Hurt in S. Lebanon shelling

Jerusalem Post Reporter. BEIRUT. — Three Lebanese were killed in heavy artillery and tank shelling yesterday afternoon near Marjayoun and Aishiya in Southern Lebanon. Terrorists shelled Marjayoun yesterday with mortar fire...

Israel-Nicaragua diplomatic ties

NEW YORK (JTA). — Yosef Ciechanover, director-general of the Foreign Ministry, disclosed yesterday that Israel and the new government of Nicaragua have already accredited diplomatic representatives to each other...

Aliya up 57% so far this year

Some 21,000 olim arrived in Israel in the first seven months of this year — a rise of 57 per cent over the same period last year. In releasing these figures yesterday, the chairman of the Jewish Agency Aliya Department, Raphael Kotlovitz, expressed his concern...

Refusenik barred from Moscow meet

MOSCOW (AP). — Soviet refusal to allow Prof. Alexander Lerner — a 86-year-old cyberneticist who applied to emigrate to Israel in 1971 — to participate in this week's world congress of the International Political Science Association here has angered Western participants to the conference...

Arabs organize for price hike relief

HAIFA. — A petition is circulating in Galilee Arab villages demanding equal compensation for Arabs and Jews for the latest price hikes of basic commodities. The petition, which was prepared by representatives of the Arab local councils and is addressed to Labour and Social Affairs Minister Israel Katz...

U.S. senator: Israel can also say 'no'

By JUDY SIEGEL Jerusalem Post Reporter. U.S. Senator William Cohen asserted yesterday that Israel 'can say no' to the U.S. if the American administration tries to pressure her into giving up sovereignty over East Jerusalem or negotiating with the PLO...



Cohen (Vera Etkind)

make policy based on what we think is right and not according to OPEC," he said. Cohen, who today ends a private eight-day visit to Israel (his first) that took him from the Golan to Gaza, said that he has not discerned any real erosion in congressional support for Israel...

FINGERED. — Tel Aviv police searching a bus yesterday after receiving a report from one of the passengers that his wallet had been stolen came up with an unexpected haul — they did not find the missing wallet, but they did find two 'fingers' of hashish on one of the passengers. He was held for questioning.

No Carter aide likely at Ramallahs' Ohio meeting

By IAN BLACK Jerusalem Post Reporter. U.S. diplomatic sources in Israel have no knowledge about a reported plan to send a personal representative of President Jimmy Carter to attend a Palestinian convention in the U.S. later this month. These sources told The Jerusalem Post yesterday that it was 'unlikely' that the White House would send an official to participate in a meeting of Ramallah-born U.S. citizens to be held in Cleveland, Ohio, on August 21...

Yadin: No U.S. economic pressure

By SHELOMO MAOZ Post Economic Reporter. Deputy Prime Minister Yigael Yadin denied yesterday that the U.S. was putting any direct economic pressure on Israel, but he did not rule out the prospect of indirect pressure, such as an attempt to change UN Security Council Resolution 242. Answering reporters' questions on the army radio's 'Meet the Press' programme, Yadin rapped the U.S. for failing to honour its commitment to provide an international force to replace UNEF in Sinai...

Detectives trap 12 drug pushers

TEL AVIV (Itim). — Detectives posing as drug-users managed to arrest 12 suspected drug pushers in the Tel Aviv area this week. One suspect even offered a detective a partnership in his drug-pushing business, police said yesterday. Five of the suspects appeared in court yesterday. Avraham Alsanar — the man who allegedly offered the partnership — was remanded in custody after police charged that he had sold a detective two lots of heroin. Three other suspects — Vita Meshulam, Yoram Nakav and his niece, Orli Nakav — were also remanded in police custody, all for between 10 and 15 days...

Jaffa man dies after axe attack

TEL AVIV (Itim). — A 32-year-old Jaffa resident who was attacked last week by unknown, axe-wielding assailants, yesterday died at Ichilov Hospital, officials said. All Samir, whose wife and three of his children were hospitalized in critical condition after the pre-dawn attack, died without regaining consciousness since the attack. One of his children was released from hospital last week. Police on Monday admitted they had run up against a 'dead end' in the search for Samir's killers. Earlier arrests have not produced charge sheets, and all the suspects arrested so far have been released.

Haifa beach dedicated

HAIFA. — The new 'Dado' beach, named after the late IDF chief of staff David Elazar, was officially dedicated here yesterday. The new beach, developed by the city at a cost of more than IL4m., has a kilometre-long promenade, playgrounds and parking for 3,000 cars. While the city picked up the tab for developing the beach, the government has agreed to pay 75 per cent of maintenance costs.

FALL. — Mimi Birnbaum, 35, of Haifa was injured Monday when he fell from his upper-level seat at the Fisher Circus. Birnbaum's seat reportedly came loose during the performance. Police are investigating. ENVIRONMENT. — The Haifa Municipality and the Technion have agreed to set up a joint team of experts on environmental quality for the city. They will examine air and water pollution sources and their impact, and ways of preventing them.

SAILINGS. — Israeli yachtsmen

Shimshon Brockman and Eitan Friedlander were in 11th place yesterday, after four sailings, in the world 470-class championship in Holland.

FILM FESTIVAL. — Tel Aviv filmmaker Shaul Dishv has had his short movie 'Man Black, Man White,' accepted at the Montreal World Film Festival in the 'Homages: Yesterday, Today and Tomorrow' section.

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Advertisement for New Bituah Leumi Publications. a. New edition — updated to April 1, 1979 — of the booklet National Insurance Laws. The booklet includes the actual version of the National Insurance Law, Trades Unions Tax Law, Law of Compensation for Those Hurt in Enemy Action and the Alimony Law (Insurance of Payment). Price: IL80, including VAT and mailing costs. b. 43rd updated version of National Insurance Laws compilations. Price: IL80, including VAT and mailing costs. For orders please apply to: Distribution Section, Government Publications, Ministry of Defence, Hakiryat, Tel Aviv.

Teheran violence in third day
Iran guard ordered to disperse demonstrations

TEHRAN. — The Iranian authorities yesterday ordered Islamic revolutionary guards to break up unauthorized demonstrations as factional violence on the streets of Teheran entered its third day.
The official Pars news agency said three people were injured when men armed with clubs and stones attacked a demonstration by some 300 supporters of the People's Fedayeen guerrilla groups who marched to Teheran University yesterday morning.
There was also trouble near the heavily guarded headquarters of the Radical People's Mujahedin guerrilla group when hardline Muslims stoned several thousand leftists and revolutionary guards fired tear gas into the crowds.
Interior Minister Hashem Sabaghiyah said on state radio that he had ordered revolutionary guards to use peaceful means to break up unauthorized marches.
The Fedayeen, whose headquarters were stormed and taken by stick-wielding crowds of Islamic militants, said in a circular yesterday that they would not be calling any demonstrations for the time being.
The guerrilla group, which played a central role in the February revolution which toppled the monarchy, said it wanted to avoid clashes between rival groups.
Student sources at Teheran University said the faculty of letters was shut yesterday after a group of Muslims broke into a class and beat two unveiled women.
And three more executions in two Iranian cities brought the total number of reported executions since last February to 402. Press reports yesterday said that a former policeman in the central town of Shahrkord near Isfahan was executed after the Islamic Revolutionary Court found him guilty of having shot to death a number of anti-shah demonstrators last winter.
An Islamic revolutionary firing squad in Mashhad, East Azarbaijan, shot two men for committing adultery with a married woman. The sentence was carried out on Monday, the press reports said. No information was given about the fate of the woman involved. (Reuter, AP)



A hooded member of the Provisional Irish Republican Army waves a sub-machinegun during the "British Troops Out" rally at Casement Park in Belfast this week. (AP radiophoto)



Israeli Ambassador to Beirut Abdel Hussein Muslem in hospital recovering from injuries suffered in an assassination attempt in the city on Monday. (UPI telephoto)



Portugal's caretaker Prime Minister Maria de Lurdes Pintassilgo presents her new cabinet's programme to the National Assembly earlier this week. (AP radiophoto)

UK-Zimbabwe meet opens in September

LONDON. — A full-fledged constitutional conference on Zimbabwe-Rhodesia will open at Lancaster House, London, on September 10, the British Foreign Office announced yesterday.
Invitations have been sent to Bishop Abel Muzorewa, prime minister of the former British colony, and to Patriotic Front guerrilla leaders Joshua Nkomo and Robert Mugabe, the announcement said.
"Front-line" black states around Zimbabwe-Rhodesia — Zambia, Tanzania, Mozambique, Botswana and Angola — have not been invited to take part, although it is their support of guerrillas that has led Britain to seek a new formula for peace.
In Salisbury, Muzorewa called a special cabinet meeting for today to consider Britain's invitation. The meeting was announced in a government statement only hours after the British announcement.
The British Foreign Office sent the invited parties an outline of proposals for an independence constitution. One suggests that a minority of seats in the new House of Assembly should be reserved for elected whites "for a specified minimum period." The number would be worked out at the conference. Currently, whites are guaranteed 28 seats in the 100-seat assembly.
The new state will be called simply "Zimbabwe" under the British proposals, which also call for an indirectly elected senate with a black majority.
Meanwhile, the military command in Salisbury yesterday reported 15 new war deaths.
A communiqué said government troops had killed nine black nationalist guerrillas and three cattle rustlers. It added that two black civilians were beaten, stoned and bayoneted to death by insurgents and a black policeman was killed in action. (AP, UPI, Reuter)

Algeria, Mauritania renew normal ties

ALGIERS. — Algeria and Mauritania restored normal relations yesterday after a three-year conflict over the Western Sahara, now the subject of growing tension between Mauritania and Morocco.
Relations between Nouakchott and Algiers were broken off at Mauritania's initiative in early 1976, following Algeria's recognition of the Saharan Arab Democratic Republic, proclaimed by the Polisario Front fighting for an independent Western Sahara.
The Polisario's move was in response to the territory's take-over by Mauritania and Morocco under an agreement signed with Spain in late 1976.
Mauritania signed a peace treaty with the Polisario Front 10 days ago, under which it renounced all claims to the Western Sahara. Morocco has said it will take over the region as soon as the Mauritania leaves.
Morocco has already occupied the capital of the Mauritania sector, Dakhla, and has said it will withdraw Moroccan troops based in Mauritania this week.
Fierce fighting was reported between Moroccan forces and Polisario guerrillas last weekend, and Mauritania Prime Minister Mohammed Khouma Ould Haidala on Monday demanded the immediate withdrawal of Moroccan troops from the Mauritania zone of the disputed area.
In Paris, a senior member of the Polisario Front said yesterday the front's guerrillas will step up their actions inside Morocco because of Rabat's attitude since Mauritania announced its withdrawal.
Bakim Ibrahim, foreign minister of the Saharan Republic, told a press conference that Morocco's "belligerent attitude" would prompt the Polisario to take its struggle "as far as possible and as hard as possible inside Morocco."
In Kinshasa yesterday, a Zaïrian government spokesman said that the airlift of about 1,500 Moroccan troops and 1,000 tons of equipment by U.S. air force C-141 transport planes from Zaïre to Morocco is expected to be completed by the end of this week.
The Moroccans formed part of a 2,400-strong inter-African force that has protected the mineral-rich province of Shaba in southern Zaïre which was invaded by Angola-based rebels last year.
Diplomatic sources in Kinshasa have said that the Moroccan troops are needed by their government in view of the new developments in the western Sahara. (Reuter, AP)

Refugees thrown into sea

WEST PALM BEACH, Florida (Reuter). — Five Haitian children were thrown into the sea and drowned as men bringing refugees to the U.S. panicked a kilometre from shore, police reported.
A sixth Haitian, a woman believed to be the children's mother, also died on Monday when she jumped into the sea after them, said Palm Beach Deputy Sheriff Jim Gillis.
They were among 18 Haitians thought to have left the Bahamas on Sunday aboard a nine-metre motor boat, he said.
"A survivor told me that the two white crewmen saw a searchlight from a police car and panicked. They told the Haitians to jump overboard," Gillis said.
"They didn't jump, so one of the men took a shotgun and fired it into the air. Then they threw the kids overboard to show the others they meant business," he added.
He said two Florida fishermen, James Knowles and Jeffrey Hastings, had been charged with murder and 11 Haitians were in custody as illegal aliens. A 12th Haitian is being sought.

Air strikes buffalo Buffalo buffalo

WASHINGTON (JTA). — After six months delay due to snow storms, air strikes add the DC-10 groundings; Kityat Gat will be presented with two American buffalo.
The pair are a gift from Kityat Gat's sister city, Buffalo, New York. They will be air lifted from Colorado to Chicago by United Airlines, and continue on an El Al flight to Tel Aviv. Both United and El Al are carrying the animals as a public service.
The buffalo, the first in the Middle East, will be housed in the Biblical Zoo in Jerusalem where special facilities have been constructed for their display and eventual breeding. The animals were supplied by the U.S. Fish and Wildlife Service.

2,200-year-old shipwreck on display

MARSALA, Sicily (Reuter). — The wreck of a Phoenician ship which sank about 2,200 years ago was placed on display here for the first time yesterday.
The partly reconstructed vessel has places for 68 oarsmen and contains a bowl for hashish, which was intended to give the oarsmen added strength. It was discovered in 1969 by British archaeologist Honor Frost.
The ship, believed to have sunk near Marsala in 241 BCE, contains metals which have not corroded despite centuries under water, as well as ceramics and even some food.
The poop deck, eight metres long, was rescued from the sea in its entirety. The prow has been reconstructed along the lines of a sister ship discovered nearby.
The ship is on public display in a large storage room in a vineyard near Marsala.

Sino-Viet talks stymied still, but will continue

PEKING (UPI). — The 10th session of the four-month-old talks aimed at averting renewed warfare between China and Vietnam ended in deadlock yesterday, but diplomats of the two sides agreed to hold at least one more meeting in Peking.
Foreign diplomats in Peking said the negotiations appeared to be achieving nothing but that neither side wanted to take the responsibility for a breakoff.

Polish bishop loses car in church dispute

WARSAW (AP). — Police confiscated the car of a Roman Catholic priest because he had protested against the refusal of a permit to build a church in Przemysl, southeastern Poland, dissident sources said yesterday.
When a new housing project in the Przemysl district of Kmiecie did not provide for a church, local Catholics converted a wooden shack into a chapel. Bishop Ignacy Tokarczuk declared the area a parish and appointed a vicar. Parishioners then bought a site and collected material for a permanent building, but local authorities denied the necessary construction permits, the spokesman said.

Opposition leader to Numeiry: Resign

KUWAIT (AP). — The leader of Sudan's opposition National Front demanded yesterday that Sudanese President Jaafar Numeiry resign.
Sharif Hussein al-Hindi, writing in the Kuwait daily "Al-Qabas," said Numeiry's regime "is now dying, and firing some persons will not enable him to evade responsibility."
Hindi, who lives abroad, referred to Numeiry's dismissal of First Vice-President Abdul Gassim Mohammed Ibrahim following price riots in the Sudan during the last week.
He attributed Sudan's current problems to "dictatorial rule, corruption, starvation, misadministration and disappearance of basic materials."

Yarmulke warrants judicial apology

NORFOLK, Virginia (AP). — A traffic court judge offered his "deepest and sincerest apologies" on Monday to a rabbi he had ordered to remove a skullcap while in court on a parking offence.
"When I insisted on the removal of your head cover, I had no idea of the implication thereof nor intended an affront to the Jewish religion," Judge Vernon Hitchings wrote to Rabbi Joshua Sackett. "I write this letter to express my deepest and sincerest apologies for the affront committed to you and your co-religionists in my court."
The judge also apologized in person, and Sackett and Jewish leaders said the apology was acceptable.

British politician Stonehouse paroled

LONDON (UPI). — Disgraced politician John Stonehouse, who once tried to stage his own suicide to avoid arrest, was freed on parole early yesterday. He was met by a waiting car that sped off at 120 kph to elude reporters.
Stonehouse, 54, the one-time Labour Party minister who ended up a convicted crook, confidence trickster and bankrupt, was sentenced to seven years in jail in August 1976 after a 90-day trial in the Old Bailey.
He served less than half his term before parole was granted.

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Toll in Indian floods may reach 15,000

NEW DELHI (Reuter). — The death toll in flash floods caused by a burst dam in the western Indian industrial town of Morvi could reach 10,000 to 15,000, a political leader said yesterday.
Though the official death toll has been 1,000 since the disaster occurred on Saturday, the vice-president of the ruling Janata Party in Gujarat, Vallabhai Patel, said it could go as high as 15,000.
Mud two metres deep in places has made the recovery of bodies more difficult in Morvi, which had a population of 80,000.
Vultures swarmed in the town's streets, reported to be still littered with bodies. Officials said 300 bodies had been recovered so far, but hundreds more were lying in the debris. About 17,000 residents have moved to surrounding towns and villages.
No information has been received so far on the fate of some 15,000 people living in villages around Morvi.
Patel, plus two other state politicians, Congress (I) leader Madhavsinh Solanki and official



Bhutto's widow casts off weeds and calls for action

KARACHI (Reuter). — Begum Nusrat Bhutto, widow of former Pakistani prime minister Zulfikar Ali Bhutto, ended her mourning on Monday with a rallying cry to Pakistanis to fight for their political rights.
She said her husband had been killed as the result of a conspiracy, but his ideology would live on. "They have taken away his body from us but they could not take away his ideology, his manifesto, his courage and his strength. No weapon has yet been made which can take away from the people of Pakistan the ideology of Zulfikar Ali Bhutto," she said.
Bhutto was hanged in Rawalpindi on April 4 after being convicted of ordering a political murder. He had been overthrown in July 1977, in a military coup led by Pakistan's present leader, General Zia ul-Haq.
Mrs. Bhutto, who has been in and out of house arrest since the coup, has assumed leadership of her late husband's Pakistan Peoples Party. But she is forbidden by martial law regulations from public political activity.
Her statement, marking the anniversary of Pakistan's independence, was her first since Bhutto's death. Her four months and 10 days of widow's mourning ended yesterday.
Mrs. Bhutto made her first public appearance since her husband's execution at the family home in Clifton, a suburb of Karachi yesterday. She told a press conference that she was "100 per cent sure" her husband had not died by hanging. She had not been allowed to see Bhutto's body after it was taken from Rawalpindi jail on April 4 and buried hurriedly at the family estate at Larkana, Central Pakistan. But, she told the newsmen, members of her family who had seen the body said it did not have the signs of a man who had been hanged.
"His was repose and his eyes were closed," she said, adding that although her family did not know how Bhutto had died, "the truth will come eventually."

Bengal-to-Pakistan march cancelled

DACCA (Reuter). — A planned march by 50,000 non-Bengali Muslims from Bangladesh to Pakistan across India appears to have been abandoned in the face of strong preventive measures at the border, police said yesterday.
A senior Bangladeshi police officer at the border town of Saidpur said the marchers had possibly called off their trek in the absence of their leaders, most of whom had been arrested in the past two days.
Home Ministry officials in Dacca said that all those arrested would be tried on charges of violating orders and with damaging public property. More than 50 people were injured and 122 arrested on Sunday when Biharis, stranded in Bangladesh after it broke from Pakistan in 1971, attacked a police station. They were protesting the arrest of six of their leaders.

Madrid police kill top terrorist

MADRID (UPI). — Police killed one of Spain's most wanted urban guerrillas and captured another in an intensive search through the streets and subway of Madrid and the 16th-century monastery town of El Escorial, authorities said yesterday.
Pedro Tabanera Perez died of a bullet wound in the chest early yesterday following a shootout with police closing in on him in El Escorial, near Madrid. Manuel Parodi Munoz was arrested in Madrid Monday night.
Both were described as members of Grapo (October 1 anti-fascist resistance groups), a shadowy ultra-left guerrilla organization similar to Italy's Red Brigades. Grapo has claimed responsibility for 28 political killings this year.
Police said Tabanera and Parodi, the second pair of alleged Grapo terrorists seized in less than a month, took part in the assassinations of a general, three civil guards and two national policemen, and in an unsuccessful attempt on the life of a former director of state security.

Three killed in Spanish firefighting

PONFERRADA, Spain. — Three volunteers helping to fight a forest fire set by arsonists were trapped by flames and killed near this town in northwestern Spain, authorities said yesterday.
The victims died Monday night, six days after another blaze blazed on arsonists claimed the lives of 21 Spanish vacationers near the Costa Brava resort of Llor de Mar.
The report of the latest deaths was delayed because the fire destroyed telephone lines, cutting off communications for several villages in the area, authorities said.
Reports from St. Tropez, meanwhile, said that France's worst forest fires in many years appeared well under control yesterday. Over 3,000 firefighting reinforcements from all over France, plastic water bombs dropped from helicopters and water-carrying planes combined for the five-day battle against fires ravaging tinder-dry woodland along the Riviera coast.
MEETING. — The deposed shah of Iran and former U.S. secretary of state Henry Kissinger met this week for a brief luncheon at the shah's Cuernavaca mansion. Kissinger was in Mexico with Chase Manhattan Bank president David Rockefeller for a one-day visit with Mexican President Jose Lopez Portillo.

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Focus

William Scobie reports from San Francisco on a union leader's dream that turned into a nightmare

MURDER ON THE PICKET LINE



Cesar Chavez

A BITTER California farm strike, which has brought murder and mayhem to "America's food bowl" for the past seven months, reached a climax last weekend. Cesar Chavez, leader of the 20-year struggle to unionize U.S. farm labourers, headed a 12-day protest march from San Francisco to the dusty, sweltering Salinas Valley fields.

cashier can pick up \$10 an hour. "And a stoop labourer is like an athlete — he lasts about 10 years."

FOR CHAVEZ, now 51, the strike began as "a dream come true" — the UFW's first straightforward fight on a money issue after the long battle for recognition. The dream quickly turned to nightmare.

A 28-year-old striker was shot dead while picketing. Murder charges against three men employed by a top agribusiness firm were dismissed. "Our brother asked for a just wage," said Chavez to 7,000 mourners at the funeral. "The companies responded with a bullet."

Week after week, violence escalated. Warehouses were fire-bombed. Motels used to house

"scab" labour were burnt. Police cars were stoned, buses set aflame. UFW pickets clashed with police, who arrested 400 in one day alone.

Governor Jerry Brown was asked to call out the National Guard but refused. Brown is an old ally of Chavez, who delivered the speech nominating him for President at the 1976 Democratic convention. Still a presidential aspirant, Brown is caught between the powerful, wealthy growers and loyalty to a grassroots union which could bankrupt itself in this strike.

Chavez now says he won't support Brown for President in next year's primaries: "We asked his help. He gives only symbolism."

The agribusiness tycoons, claiming that Chavez's demands would

cost billions and send inflation soaring, have mounted a costly public relations blitz portraying Chavez as an incompetent, even corrupt, union boss. The drive is run by Bill Roberts, a former chief of Spencer-Roberts, a firm famous for managing the campaigns of Ronald Reagan and Richard Nixon.

FOR BOTH sides the stakes are high. If Chavez wins, it could set a pattern for similar farm deals throughout the nation. And it could set a seal on his claim to overall leadership of the agricultural labour movement.

The growers, who claim up to \$20m in crop losses to date, say the UFW's "outrageous demands violate Jimmy Carter's anti-inflation ceiling of 7 per cent on an-

ual raises. "Overall, UFW wants a 200 per cent increase on the current contract," says an agribusiness spokesman. "If we signed, we'd be out of business."

Chavez responds: "We'll stick to Carter's 7 per cent guideline when the growers keep their profit increase down to that level." President Carter, he charges, has condoned strike-breaking efforts by the growers, who are employing thousands of illegal aliens to replace UFW workers "while the U.S. government does nothing to stop them."

In recent weeks, Chavez has toured the U.S., calling for a "world-wide boycott" of Californian produce from lettuce to bananas. A creeping sense of apathy in today's America is hindering success, but Chavez, who maintains a Gandhian-like self-discipline, working 20-hour days, fasting, meditating, and taking only \$10 a week salary above his expenses, remains hopeful.

"The strike will go on," he said at the head of his dusty column of marchers. "We have a saying in the fields: the rich have the money, the poor have the time." (Observer Foreign News Service)



Jerry Brown

SEVEN-DAY shopping with banks and hypermarkets free to open all day Sunday is being recommended by the French government, which will begin negotiations with unions and traders next month.

A decision by the end of the year has been promised by Trade Minister Maurice Charetier, who believes that big commercial enterprises will generalize Sunday trading whether it is legal or not. It is understood that two specially commissioned government reports strongly favour ending restrictions.

The main opponents are trade unions speaking for two million workers in the retail trade and small shopkeepers' associations who have fought pitched battles over the last few years in an attempt to stop the spread of supermarkets and Sunday trading.

A typical French Sunday, however, shows that the opposition is in the minority. Traditional last-minute fresh food buying from the local market and corner store has spread to a situation where virtually anything can be bought if the customer knows where to go.

Big furniture and household goods discount stores, particularly, defy laws restricting their opening hours to six days a week, accepting regular fines of up to \$2,000 rather than close. They claim that an average 30 per cent of their turnover is done on Sunday.

At one of France's biggest commercial centres, Art de Vivre, west of Paris, opened two years ago, Sunday shoppers can buy just about anything from a garden rake to a three-piece suite in a complex which includes restaurants, cafeterias and discotheques.

"The atmosphere here is like any other family outing except that there's lots more to do and see," a salesman said.

FOOD hypermarkets, banks and department stores are about the only big businesses which have not broken the Sunday trading law, although most local food super-



Hypermarkets aim for seven-day shopping

France ends the sabbath

By PAUL WEBSTER / Paris

markets are now open. But the big businesses are included in the Trade Minister's plans, which would allow all companies to fix their own opening hours.

As there is nothing like Britain's Lord's Day Observance Society, the government is faced only with reassuring trade unions and finding some way to compensate small traders, the most reactionary voters in France.

Despite a common front by Communist, Socialist and autonomous unions, who say they are determined to maintain a compulsory closing day, their position is fairly weak. There is poor union representation in big stores, which depend almost entirely on temporary staff. However, they feel that this may be the last chance to halt a shopping revolution in which shopworkers' interests would not count at all.

"The bosses are putting a system in place for year 2,000," said Marc Blondel, shopworkers' representative in the Force Ouvrière. "Eventually everything will be done from a computer at home linked to a central computer. If the machine decides that the only way to satisfy customers is to bring in staff at six in the morning, then that is what the bosses will want." (Observer Foreign News Service)

Stars without status

By JUDY WELCH London

SCENE: hotel dining-room in West Bromwich, England. Time: Early morning. A Chinese soccer-player is assessing his breakfast with the aged reluctance of one who has banqueted well the night before. Enter a photographer, brandishing a pair of chopsticks. "Here, mate," he says, "would you just mind eating your bacon and eggs with these?"

With 17 players, eight coaches and a retinue of leaders, the Chinese Football Association party began its tour of Britain under the sort of awed scrutiny normally reserved for bearded ladies and the Elgin marbles. Small boys jostled each other for their exotic autographs and West Bromwich Albion supporters good-naturedly cheered on the team with the chant of, "Come on, you yellow."

Chinese footballers. It has to be said, are certainly different. You won't find a kipper necktie or solid gold neck-chain among them and they tend to ride around on bicycles rather than in Rovers and Jaguars. They wear regulation-issue suits which would have made Charlie Chaplin a model of elegance and come in a uniform grey the shade of industrial smog.

Most of the international squad are students, some are described with stunning brevity as Workers, and not a single one is paid as much as the Chinese equivalent of a brass farthing.

"The players," said Mr. Yang, the deputy general secretary of the FA, emphatically, "are just glad to be in the team and are able to travel to other countries."

AT HOME they play to crowds the size of which would turn even Manchester United or Liverpool the hue of spring greens. In provinces like Canton, where football promises to out table-tennis as the great sport-



Aspiring Chinese footballer.

das. Over there, says Yang, "there is only friendly behaviour."

Despite the enormous crowds, football in China is hardly a money-making venture. The clubs receive government support since, with tickets costing the equivalent of roughly 6 U.S. cents, the gate money is barely enough to cover the electricity bill.

The top 16 clubs go in Division A, then there are 22 in Division B and so on, right down through the hierarchy of provincial and local leagues. Where China has problems is in its national competitions: it's a long haul from Peking to Canton.

As for the level of skill, the Chinese are definitely no duffers. "We try hard to make the progress," said Mr. Nian, the head coach, and to that end two West German coaches have already been imported. Two Italians will be arriving later this year and in 1980 they hope for a pair from Britain.

"In 10 years' time," said Bert Millichip, "I think they could have a very strong World Cup team. There are children of four and five over there who play table-tennis almost as well as adults and if they take football up with the same enthusiasm they'll learn just as quickly."

THERE IS one relatively serious hindrance, of course: what everyone refers to discreetly as "the Taiwan problem."

The matter is already being discussed at FIFA and the Chinese are distinctly optimistic about the outcome. Whether their dedicated preparation will be rewarded, they know, not up to them; but as Yang said: "We believe we can solve this problem very soon because we have made many friends in the world who will support us." (Observer Foreign News Service)

Modernization — China style

By VICTORIA GRAHAM / Peking

ON THE DESOLATE "roof of the world," a red flag flies from a yak herdsman's tent. Hills bear a painted inscription in Tibetan: "Long Live Chairman Mao." The Chairman's portrait beams from a mud wall covered with fragile Tibetan herbs.

The Chinese presence pervades the Tibet autonomous region, where China pursues a delicate balance of encouraging ethnic identity while demanding allegiance to the "Motherland."

Tibet became part of the People's Republic in 1950 and China calls it an "inalienable part." A revolt was put down in 1959, and over the last 29 years, China has poured thousands of people, millions, perhaps billions of dollars, and a whole new political cannon into modernizing and reforming Tibet, once a feudal, theocratic state.

"Gone forever is the dark, poor and backward old Tibet," says the official Chinese statement on minority nationalities. "Only when the economy and culture of their region develop and flourish as much as the Han (Chinese) areas can complete equality among the various nationalities be achieved."

In the meantime, the Han culture is clearly the model and it raises the question of balance between civilising and colonising. China is imprinting itself upon Tibet with every step of a soldier through a Lhasa street and every plaster bust of Mao on a worker's shelf.

TIBET'S scattered population of 1.7 million is about 120,000 or 7 per cent Han. The capital of Lhasa is about 68 per cent or 70,000 Han. Most of the Chinese are cadres, workers and their families. Few do the farming and herding which are the mainstays of the Tibetan economy.

The population figures, given by Red, Tibetan vice-chairman of the Tar Revolutionary Committee, do not include the People's Liberation Army in Tibet. He called the size of the military presence a secret, but other sources have estimated it at about 200,000 or more.

China emphasizes that Tibetans, not Chinese alone, are in charge of their autonomous region.

About 40,000 or 64 per cent of the 62,500 cadres in Tibet are Tibetan. About 6 per cent of the 30,000 to 40,000 party members in Tibet are Tibetan. There are 500 Tibetan delegates to the 700-member Regional People's Congress. Among the 50 members of the Regional Revolutionary Committee, 36 are Tibetan.

Still, the top cadres are Han, for example Ren Zeng, chairman of the Provincial Revolutionary Committee.

At an electrical machinery factory in Lhasa, one-third of the 315 workers are Tibetan, but only eight of the 63 cadres are Tibetan.

THE CHINESE influence is more subtle than statistics and head counts. Every morning the residents of Lhasa awaken to loudspeakers blaring "The East is Red," the Chinese national anthem. Department stores are stocked with Chinese consumer goods, like the ubiquitous tin dishes and spoons decorated with carnival flowers. At the Zhe Bang monastery, Lamas pour hot water for tea from vacuum bottles covered with gaudy scenes of the Shanghai waterfront.

Tibetan national costumes, — fur hats, intricate embroidery and striped aprons — are available. But they are yielding to proletarian Chinese uniforms of dark coloured baggy pants and jackets. Women who once coiled their hair with coloured thread now wear simple pigtail.

Peppermint, red and white traffic stands have turned up in Lhasa and smartly dressed officers direct horse-drawn carts.

AT THE JOKHANG temple and Zhe Bang monastery, red and golden silk banners quoting Chairman Mao hang beside opulent tapestries. "All Nationalities of China Unite," proclaim the banners.

The Lamas have become custodians of empty temples, not traditions. They, like the buildings they inhabit, fall under the authority of the state and local bureaus for the preservation of relics.

At the home of Ishidoji, 50, and his wife, Pudi, 60, a bust of Mao occupies the place of honour on an old dresser in their tiny mud house. The walls of the former servants' home are lined with certificates that honour him and his children for high productivity, studying Mao and criticizing the "Gang of Four."

(Associated Press)

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SOMETHING DIFFERENT IS HAPPENING EVERY EVENING AT THE LAROMME TEL AVIV HOTEL

Solomon beaten in Canadian tennis

TORONTO, Canada (AP). — Jaime Filloil of Chile, showing signs that he is emerging from a disastrous year-long slump, upset fourth-seeded Harold Solomon of the U.S. 3-6, 7-5, 6-2 in a first-round singles match on Monday at the Canadian Open Tennis Championships.

Lou Brock gets 3,000th hit in Card win

NEW YORK (AP). — Lou Brock got his number 3,000, and Garry Templeton hit a sacrifice fly in the ninth inning to give the St. Louis Cardinals a 3-2 triumph on Monday night over the Chicago Cubs.

single home a run in the seventh as the White Sox defeated the Baltimore Orioles 7-0 on a five-hitter by Steve Trout.

NATIONAL LEAGUE

Table with columns: Team, W, L, PCT., GB. Includes Pittsburgh, Montreal, Chicago, St. Louis, Philadelphia, New York, Houston, Cincinnati, San Francisco, San Diego, Los Angeles, Atlanta.



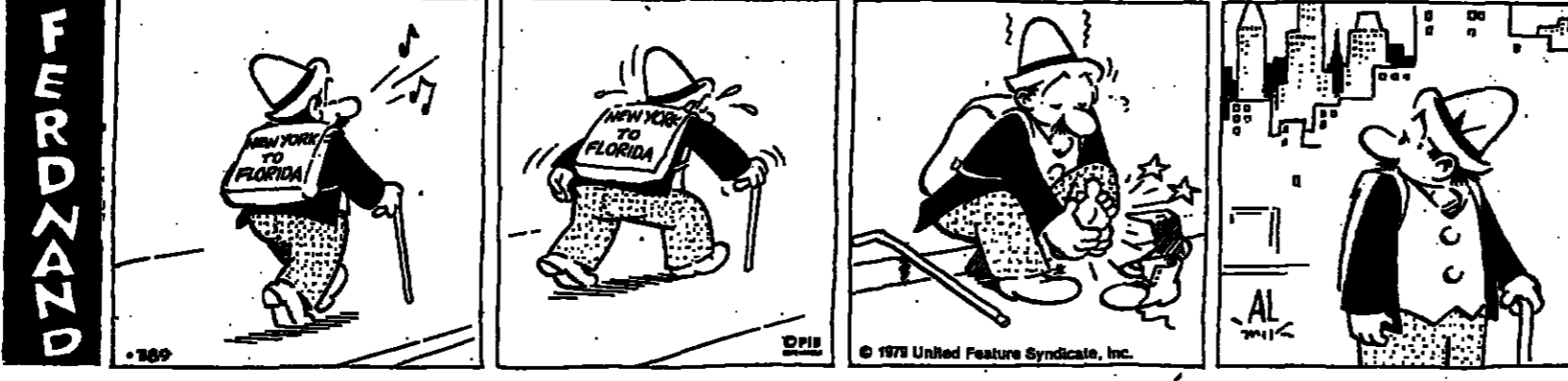
A lone sculler recently makes his way past a windmill and down the placid waters of one of Holland's numerous canals.

Israel, Monaco reset Davis Cup play

By JACK LEON Post Sports Reporter TEL AVIV. — Israel and Monaco have agreed to reschedule their second-round European Zone Davis Cup tie at Ramat Hasharon from September 27 to 29, local tennis association head Zvi Meyer told The Jerusalem Post yesterday.

Israel's challenge, plus ground advantage, the hosts should have the edge this time. In addition, Glickstein and his Davis Cup team-mate Ian Sherr scored several notable successes in doubles on the circuit, including winning one tournament.

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6:10 Morning Melodies 7:07 '79' — Alex Anati presents selections of music and items from the morning newspapers

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CINEMAS

JERUSALEM 4, 7, 9 Arnes: My Mother the General; Miles: Breakthrough; Wilson: Breaker: The Magnificent; Orgel: Jaws 2; Efr: International Velvet; 6:45, 9: Mitchell: Going Steady; 7, 9: Oriam: A Summer Place; Great Who is Killing the Great Chief of Europe? 6:45, 9: The Muppet Movie; 10:30, 4: Ron: The Deer Hunter; 4, 8; Semadar: La Dentelliere; 7, 9:15; Binyana: HaGomel; Same Time Next Year; 7, 9: Cinema One: Exodus; 8, 9:30 Chitty Chitty Bang Bang

Pepper's Lonely Hearts Club B.G. Band; Maxin: The Muppets; 10:30, 12:15, 4:30, 7:00, 9:00, Midnight Express; 9:30; Mograbi: The Deer Hunter; 8, 9:30; Orgel: Jaws 2; 9:30; Ramon: Avram; Autumn Sonata; 7:15, 9:30; Man in the Iron Mask; 6:30; Royal: Sex Revenge; 7:30; ORLY: Movie: Feat: Agatha; Studio: Wife Mistress; Shahaft: Going Steady; Tohade: Days of Heaven; The Deer Hunter; 4, 8; Semadar: La Dentelliere; 7, 9:15; Binyana: HaGomel; Same Time Next Year; 7, 9: Cinema One: Exodus; 8, 9:30 Chitty Chitty Bang Bang

RAMAT GAN Arnes: Concorde Affair; 4, 7:15, 9:30; Hader: Conroy; 7, 9:30; Lily: Short Eyes; 7:15, 9:30; Orgel: The Shaggy D.A.; Orgel: Going Steady; Ramon: Avaloncha; 4, 7:15, 9:30; Ramon: Gai: Midnight Express; 7, 9:30.

TRAVEL INFORMATION

FLIGHTS This schedule is subject to change without prior notice. Readers are advised to call Ben-Gurion Airport Flight Information, (03) 51461-6/4 for changes in times of arrivals and departures.

DEPARTURES

0100 EI 811 Johannesburg, Nairobi 0100 EI 812 Athens 2245 EI 813 Malaga 2255 EI 814 Paris

Tip Top Haifa Knitwear Ltd. requires CLERK (female) Knowledge of English, including typing, necessary. Background in economics and/or experience in costing, marketing and export procedures — an asset.

MUST SELL URGENTLY passport to passport, 1976 FORD GRANADA. 19,000 miles; in top condition. Can be seen at: Kroyd, 3 Rehov Geula, Tel Aviv, Tel. 53412.

Israel Museum, Jerusalem SPECIAL FOR CHILDREN TODAY, Aug 15, 1979 at 11.00 a.m. and 3.30 p.m. 'LADDES' — New clown and mime show for ages 5-10.

REPORT SUSPICIOUS OBJECTS

EXPERIENCED SALESMAN WITH PRIVATE CAR English, Hebrew, French and German, open to serious offers in all fields. Please apply: P.O.B. 5, Herzliya.

For Sale in Netanya Fully furnished, 3-Room Apartment All modern conveniences, telephone, 3 air-conditioning units, private parking, frost-free Amco 18 refrigerator/freezer, Maytag washing machine and gas drier, Fischer stereo radio/amplifier/record player, American Crown gas range/oven. Immediate occupancy. 9 Levonin St., Apartment 9, Tel. 053-33578, office hours — Tel. 053-38488.

GENERAL ASSISTANCE EMERGENCY PHARMACIES Jerusalem: Central Bus Station, 234 Yafu, 820190; Babush, El Wad St., 104 Tel. 242428.

FIRST AID Magen David Adom first aid centres are open from 8 p.m. to 7 a.m. Emergency home calls by doctors at fixed rates. Sick Fund members should enquire about rebate.

DUTY HOSPITALS Jerusalem: Bikur Holim (pediatrics), Hadassah (internal, obstetrics), surgery, ophthalmology, E.N.T.; Mt. Scopus (orthopedics).

SUNSET-SUNRISE Sunset: 18:28; Sunrise tomorrow: 05:04

POLICE Dial 100 in most parts of the country. In Tiberias dial 024444, Kiryat Shmona 49444.

Art of bidding... Ra... Various vertical text on the right edge of the page.

DISCORD IN THE MUSIC WORLD

DISHARMONY filled the air during a recent Knesset Education and Culture Committee meeting...

its conductor. He ended by urging the Knesset unit: "Just leave this matter to us and rely on our considered judgement..."

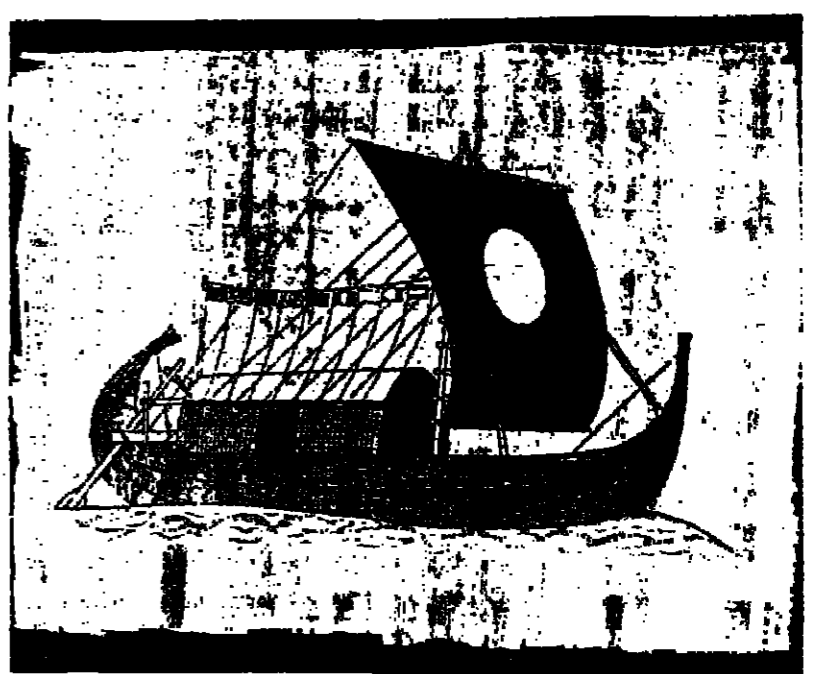
By MARK SEGAL Jerusalem Post Reporter



Zubin Mehta

MAESTRO Zubin Mehta, in his debut before a Knesset committee, claimed that the friction had little to do with music, but everything to do with economics...

ning to the IPO spokesman, Mrs. Forat registered her "admiration" for their aggressive protection of the orchestra's business interests...



Gift to museum

A painting on papyrus of an ancient Egyptian reed boat has been presented to the National Maritime Museum in Haifa by Egyptian Defence Minister General Kamal Hassan Ali...

Art of cue bidding

BRIDGE George Levinrow

AT THE annual meeting of the International Bridge Press Association at the European Championships last month, the Romex awards were announced...

THE CLASS is assembled. With shins polished, hair slicked neatly, and solemn faces adjusted, they sit stiffly for this meeting with the Head...

'Slaves unto a modern Pharaoh'

By MICHAEL SABIN/Special to The Jerusalem Post

submitted in conjunction with their applications. IN APRIL, 1977, five Ilyinka families (numbering 42 individuals) addressed the first of repeated appeals to Soviet officials...

Cabinet cabaret

By SHALOM COHEN

Against this movement, the Head intones cryptically, "We talk too much, and at cross-purposes..." and this does not please the people, the publicists, and Betar Yerushalayim...

Ernst Chain, noted scientist

THE TIME has perhaps come to correct a popular legend how a little fluff floated in through the window of Sir Alexander Fleming's laboratory...

Ernst Chain, noted scientist

Sir Ernst Boris Chain was born to Russian-Jewish parents in Berlin on June 19, 1906. He studied chemistry and physiology at the Friedrich Wilhelm University there and worked for three years in the chemical department of the Institute of Pathology at the Charite hospital...



Ernst Chain

Superiore di Santa in Rome that he found research chair and a whole floor of laboratories. Chain worked and taught in Italy until 1961 when he returned to London. He was Professor of Biochemistry at the Imperial College of Science and Technology in London, until his retirement in 1973...

Rabinowitz — gentle but tough

Yehoshua Rabinowitz was respected by political friends and foes alike for his courteous and generous manner, a quality all the more marked for one who added great influence to Israel's politics...

In 1956 he was elected to the Tel Aviv City Council and in 1961 became deputy mayor and chairman of the powerful finance and town building and planning committees...



In his last public appearance, during which he was struck by a heart attack, Yehoshua Rabinowitz served as a pallbearer at the funeral on Sunday of David Horowitz, founder of the Bank of Israel.

Gradually, the slight, near-sighted, carefully dressed gentleman with the disarming smile came to be seen as a hard nut to crack. He was always ready to listen, but not automatically willing to follow. He could comprehend the posture, but he used to get his way in the end...

TWO-IN-ONE CROSSWORD

Cryptic puzzle grid with clues and solutions. Includes sections for 'CRYPTIC PUZZLE', 'EASY PUZZLE', and 'SOLUTIONS TO TODAY'S PUZZLE TOMORROW'.

Economic bang or whimper? Payments imbalance is country's biggest danger, banker warns

The country definitely is moving swiftly towards an "economic explosion" says a leading Tel Aviv banker, who insists on remaining anonymous. The main problem to be corrected is the constantly growing imbalance of payments, he warns. MACABEE DEAN reports in the fourth of a series.

TEL AVIV. — "The question that remains to be asked is: who will light the fuse of the coming economic explosion. Will we do this ourselves at the most propitious time — which is immediately — and thus have a 'controlled explosion' where the disastrous effects can be kept to a bare minimum, or will we wait for someone abroad to do it? In the latter case we may be caught in a situation which will be immeasurably harder to bring under control."

This is how one of Tel Aviv's leading bankers, who is highly conversant from personal experience with the inner workings of the government, yesterday defined the situation facing the country.

He refused to have his name used, pointing out that his position in the banking world would not allow him to talk, while he could "speak freely and from the heart" if he remained anonymous.

The main problem can be boiled down to one single item: the adverse balance of payments, which is constantly growing. All the other problems are important only in as much as they contribute to this adverse balance of payments.

He pointed out that Israel was going into debt by an additional billion dollars this year, 1979, bringing the year's total up to \$4.5b.

"Everybody talks about the addition of one billion, forgetting that even without this growth, last year's total of \$3.5b. is terribly frightening, he said.

"The problem is that portion of our accumulated loans — about one third of the total, which is being provided by private commercial banks abroad. One day, it can be tomorrow, in two months, or even in a year's time, one of these banks will say: 'sorry, Mr. Israel, I don't want to lend you any more money. No special reason. We can get better terms elsewhere. This will start a chain reaction among the other banks lending Israel money. Sudden-

ly, overnight, this influx of money will disappear," he said.

The result: "The government will have to step in and begin allocating the funds it is receiving. There will be no more money for imported luxuries. What little money the government can raise will have to go for raw materials to earn foreign currency."

This was not done, "mass unemployment," which can lead to very ugly social unrest, can result. And this "social unrest" could even lead to emigration from the country, with breadwinners going where they could make a living.

How can this "economic explosion" be avoided? "The tested way is to cut down governmental expenditures to the bare minimum.

This means simply balancing the budget, thus reducing the amount of money in circulation. This will reduce inflation tremendously."

Inflation, he noted, had two aspects. If it was internal, within the country, and had no effects on the balance of payments, it was bad, but tolerable.

"But inflation also contributes to increasing our adverse balance of payments. People buy more, which increases the flow of goods into the country, they also save less, which does not allow capital to accumulate so that it can be invested in the productive sector."

Inflation also reduced productivity since it led to labour problems, with the workers not thinking about their main object, producing more. This also reduced the amount of goods the country could sell abroad.

The speaker also advocated, within the framework of balancing the budget and cutting national expenditure, to get rid of all the hidden unemployed who were making an "honourable living" without being productive. "This may create small pockets of unemployment of certain persons with specific skills, but there is enough productive work around for the majority of the hidden un-

employed."

He believed that not only the civil service, but also the number of teachers in the schools and lecturers in the universities should be carefully scrutinized.

As for "black capital" it was a cancer which must be cut out entirely by a surgeon, with the government using "radiation and chemotherapy" to see that the disease did not take root in another part of the "body economic."

"Black capital" fanned the inflationary spiral. "Black capital" and not paying honest income taxes should be two objectives tackled immediately without any connection to inflation and the balance of payments, if you want to have a healthy economy and society, he said.

As for re-introducing foreign currency controls, the banker did not think this would be very effective. "It would be much better to impose high taxes on the inflow of luxury goods, like cars and colour TV sets," he said.

Monetary Fund scores world's economy

WASHINGTON (AP). — The world economy has been doing an unsatisfactory job, the International Monetary Fund (IMF) says, and efforts by individual countries to protect their trade from one another are making things worse.

"An early reversal of recent protectionist trends is necessary for an improved performance," the IMF says in an annual report.

So it sees great significance in the new set of international trade agreements now going into effect after more than five years of negotiations. U.S. President Jimmy Carter signed the law July 27, calling it "perhaps the most important piece of trade legislation in the history of the U.S."



Doctor uses the new Agar "mammo-scanner" to check a concerned looking patient's breast for possible cancer lumps. The scanner is more accurate than manual palpation.

Trying to take the guesswork out of medical diagnosis

Jerusalem Post Reporter TEL AVIV. — Putting more exact science into medical diagnosis and reducing the amount of "educated guesswork" is the theme of a combined meeting of the Twelfth International Conference on Medical and Biological Engineering and of the Fifth International Conference on Medical Physics, which will open in Jerusalem on Sunday.

Some 500 participants from 30 countries, including Yugoslavia and Romania (Egypt was invited but has not yet answered), will be joined by their 500 Israeli colleagues. Only about 25 per cent of the participants at the week-long meeting will be physicians.

Some 600 lectures will be given (all in English) to the scientists, who will be broken up into seven parallel work groups.

An Israeli device for the mass screening of breast cancer will be on display for the first time. The Agar mammo-scanner will soon be mass-produced for export. It supplements the use of the most common method used today, the actual manual search for lumps in a breast.

Lectures will also be given on the use of computerized tomography, which is much more accurate than normal X-rays. (The method was recently used to pinpoint the blood clot in Prime Minister Menahem Begin's head).

Also discussed will be a wheelchair for persons totally paralysed, but who can speak, and which is activated by the person's voice.

Some 125 companies will display various medical devices at the meeting.

Details of the meeting were given yesterday at a press conference by Dr. Ephraim Eyal, professor of electronics at the Weizmann Institute, Dr. Arye Weinreb, professor of physics at the Hebrew University, Dr. Yehoshua Kalish, head of the medical physics department at the Beilinson Medical Centre, Dr. Abraham Werner, senior physicist at the Sheba Medical Centre, and Dr. Shmuel Yerushalmi of M.G. Electronics, Rehovot.

Insurance shares a good buy now

Shares of Phoenix and other companies are undervalued

By MACABEE DEAN Jerusalem Post Reporter TEL AVIV. — "The market value of the shares of the six insurance companies quoted on the stock exchange has dropped since January 1 of this year from IL1.4b. to about IL1.1b. today. These shares are remarkably cheap now and should be a good investment."

This was stated yesterday by Dr. Manfred Gerstenfeld, managing director of National Consultants, whose company has just drawn up a "profile" of the Phoenix Insurance Company, which aims at giving an impartial analysis of the company's future prospects.

Dr. Gerstenfeld added that just as most persons could see in November 1977 that prices on the stock market were very high, they could see today that insurance shares were very low. Yosef Hackmeier, managing director of Phoenix (most of whose shares are held by three groups, the Hackmeier family, Discount Bank and Phoenix Assurance, of England) pointed out that while the company had made a net profit of IL35m. in 1978, it was expected to make one of IL55m. in the current year. (The calculations are based on a conservative inflationary rate of 60 per cent). However, if the "adjusted" profit were considered, the profits could grow from IL77m. last year to IL165m. this year.

The "adjusted" profit gives a better picture of a company's real profitability. The "adjusted" value is obtained by considering funds set aside for exceptional risks as part of the firm's capital, and by taking the market value of its shares and bonds compared to the last year.

Reported earnings per share of Phoenix were 38 per cent in 1978 and were likely to increase to 65 per cent this year, according to National Consultants. Adjusted earnings per share are estimated to grow from 84 per cent in 1978 to 144 per cent in 1979.

However, the earnings per share are distinctly different from what the shareholder receives. In 1977 the shareholder got a 20 per cent cash dividend — based on the nominal value of the share, and not on the market value, plus a 176 bonus share dividend. In 1978, the cash dividend was 15 per cent on the nominal value, plus a 25 per cent bonus share dividend.

Hackmeier based his prediction that 1979 would be a better year than 1978 on the fact that Phoenix had a much smaller share than the average of all other insurance companies of the "bad insurance market" (burglaries and traffic accidents, which have proved to be heavy losers). At the same time it had a much larger share than other companies of the "good insurance market" (life and marine insurance). This policy was being continued, he said.

However, he noted that Phoenix had invested IL176m. of its "free funds" (those moneys which he can legally invest wherever he wants) in "linked bonds." This investment constituted about half of all his "free funds."

He also noted that due to Phoenix's connections with Continental Insurance, of the U.S., Phoenix had issued an insurance policy to cover damages to one of the airfields the Americans were building in the Negev.

"This is more a matter of prestige than of making money," he said, adding "but it does show the regard in which Phoenix is held abroad."

Gilt-edged art

By JOSEPH MORGENSTEIN Post Finance Reporter

TEL AVIV. — The provocative and hard-hitting advertisement which appeared in last Friday's edition of The Jerusalem Post urged the reader to sell his index-linked bonds, his second apartment and his foreign currency holdings in advance of an economic depression which would erode the value of all these holdings.

The man behind this advertisement is Joshua Gessel, founder of Golden Head Ltd., a company specialising in art investments. As an introductory offer to those willing to invest through his company, Gessel has placed on sale a series of 175 gold tablet reliefs. The design on the tablets entitled The Family of Man, is the work of Israeli artist Yoel Kremin. Each tablet is offered at IL76,000.

Gessel reports that the first series is nearly sold out. Based on the recent price of gold of over \$300 an ounce, the 246 gram tablet is being offered at a premium of approximately 10 per cent over the international price of gold.

On the face of it, it seems that Golden Head Ltd. is in effect selling gold at a small premium, rather than at which is likely to appreciate in value on the basis of its intrinsic merit. Gessel refutes this and sticks to his assertion that he is selling art.

Gessel, about 40, was born in Haifa and brought up at Kibbutz Kfar Ruppin. During his university days he roomed with Ehud Dayan, the foreign minister's oldest son, who influenced him to study fashion design. Gessel started his studies in that field after completing his army service.

In the early 1970s he embarked on a design career and shortly afterward became chief designer for Bawi, a German-based garment manufacturer with an annual volume of \$4m.

His work was well received and Men's Wear, a leading American fashion publication, wrote about him. The article said in part that "Joshua Gessel lives in St. Tropez, France, where he has his Israeli-creativity, Italian, British and French fabrics, and German craftsmanship, to produce men's wear for the American market. The results are often spectacular."

Gessel returned to Israel and in the euphoric days of 1977 invested large sums in securities on the Tel Aviv Stock Exchange. In the crash of December 1977 he took a severe beating.

He subsequently became politically active in the Shai Party and formed a close friendship with Professor Amnon Rubinstein. In the past year he became convinced that the most serious economic problem is that of inflation. His programme for fighting inflation through the press was turned down by the Shai Party leadership.

Gessel is convinced that our economy is headed for a major crash which will lead to mass unemployment and a loss of value in real estate and index-linked bonds. His advice to the man-in-the-street is to invest his surplus funds in works of art.

Golden Head Ltd., the company formed for the sale of art with investment value will mail a monthly catalogue offering a choice of art investments. These range from lithographs and porcelain to rugs and antique furniture.

To those replying to his advertisement Gessel describes that the company's remuneration for products sold will come to between 5 and 13 per cent.

Associated with Gessel is Yoel Kremin, 32 year old Israeli artist. The two met when Kremin did the interior design for Gessel's sumptuous duplex penthouse in North Tel Aviv. Kremin was educated at the Hebrew University and the Technion, where he studied art and design. His works will be offered for sale through Golden Head Ltd.

Arieh offers linked bonds 'rights'; profits up 42%

By MACABEE DEAN Jerusalem Post Reporter

TEL AVIV. — Linked bonds "rights" are being offered for the first time to investors in Israel by an insurance company, Arieh, Avinoam Tocotzy, managing director of the company, announced yesterday.

The bonds are linked 80 per cent to the cost-of-living index and bear five per cent unlinked interest. However, anyone purchasing these bonds will be able in ten years time, in 1989, to convert them to seven per cent accumulative preference shares in the company.

The sum of IL40,882,400 will be raised by selling these linked bonds, and every three bonds will entitle the holder to buy one preference share. In addition, Arieh is offering 882,510 seven per cent accumulative preference shares, at a nominal value of IL10, which will be sold as a rights issue at IL22 each. Holders of four shares will be able to acquire one such new share.

The company's shares now stand at IL730 on the stock market. Tocotzy noted that this year's interim 175 per cent cash dividend would enable present stock holders to purchase the rights of both the bonds and the preference shares now being offered by adding only a small amount of fresh money.

A spokesman for F.M.R., a finance and research company, noted that in 1978 the yield on the company's stocks was 51.87 per cent, and that this year it would rise to 54.33 per cent.

The company's gross profit in 1978 stood at IL85m., compared to IL50.5m. in 1977. This shows a "nominal" growth of 78 per cent and a real (deflated) growth of 18 per cent. Arieh's net after-tax profit grew from IL28.4m. in 1977 to IL63.6m. in 1978, which is a nominal growth of 110 per cent or a "real" deflated, growth of 42 per cent.

Of the IL210m. the company invested in 1978, some IL141.2m. or 77 per cent, was in linked bonds. The company's capital and "free reserves," the total reached IL138m. in 1978 (before the present rights issue). This constitutes 52 per cent of the company's balance sheet. In 1977, such investment constituted 28 per cent of the balance sheet.

(The capital and "free reserves" of all other insurance companies averaged only nine per cent in 1977 and an estimated eight to ten per cent in 1978).

According to figures produced by F.M.R., anyone investing in Arieh shares in 1974 would have a return of 2,350 per cent on his investment after paying all taxes. A similar investment in linked bonds would only give a yield of 653 per cent, while the yield on U.S. dollars was only 487 per cent.

Several groups vie for Arkia control

By BARUCH SAVILLE Jerusalem Post Reporter

The take-over of Arkia is being contested by four, or possibly five, different interested groups.

Israel Sacharov, chairman of the board of Israel Aircraft Industries, who was appointed by the government to deal with the sale of Arkia, has been negotiating with the contenders.

Those who wish to take over Arkia include Kana-Arkia, strongly backed by Gad Yaacobi, chairman of the Knesset Economic Committee; the Eisenberg interests, headed by Shaul Eisenberg, the multi-millionaire international industrialist; the Kopel Concern, Israel's largest tour and travel organization which can provide large domestic and foreign marketing outlets; and a group headed by Yigal Hurvitz, former minister of industry, trade and tourism.

A report that the U.S. Flying Tiger company is also making a bid for taking over Arkia has not been confirmed.

Arkia at present loses money every day. Plans to sell two BAC-119 aircraft, which cost some IL150m. and are expensive to operate, and possibly two of the company's aging Viscounts, will lead to staff redundancy. It is expected that as many as 200 of Arkia's 420 employees may be discharged.

Draft agreements for the sale of Arkia have reportedly been drawn up by Tel Aviv corporation attorney Shmuel Barsel, on behalf of the government, Shlomo Peled on behalf of El Al, a representative of Hevrat Ovdim and Ram Caspi acting for Kana-Arkia.

Tourism increase disappointing

Jerusalem Post Reporter

Tourism to Israel is not increasing in line with official estimates. According to statistics recently released by the Tourism Ministry, 529,804 people arrived in the first half of this year, an increase of only about 9,000 visitors from the same period last year.

With 117,700 visitors coming to Israel in July, the total for the seven month period from January to July was 647,504, only 3 per cent more than in the corresponding period last year.

West Germany topped the list of all European countries as the best tourist contributing country with 71,000 arrivals in the first half of the year, compared to France 68,000 and the U.K. with 48,000.

The number of visitors from Norway declined by 51 per cent and from Finland by 11 per cent.

While the total from European countries was a high 316,742, arrivals from North America continued to decline and totalled only 154,000 in the whole six months period. Of these, some 10,000 came on cruise ships for stays of only one or two days.

There was a 25 per cent rise in the number of tourists arriving on charters. About 75,000 people came on charters.

Technical school upgrade demanded

By ALAN ELSNER Jerusalem Post Reporter

TEL AVIV. — A call to strengthen technical education was made yesterday by representatives of the Histadrut who said that unless the present second class status of the technical schools was corrected, Israel would enter the 1980's ill-equipped for the needs of a sophisticated modern economy.

Nahum Fashnah, head of the the Histadrut's department of youth, students and sport, charged that students who completed their studies at the legal minimum age and went out to work were considered inferior. "Yet these are the people filling productive capacities in the economy and not enough is done to help them," he said.

"Government policy is to build a non-working society," said Avi Ofek, chairman of the division for working youth. "There is no attempt to reach

them after they have finished their formal studies.

Every 25,000 students are working five days a week and learning one day. Yet the latest budgetary cuts will remove the subsidized lunches they used to receive at technical schools and also the transportation that used to be available to bring them to regional schools.

A recent discussion on the subject took place in the Histadrut executive committee at which it was decided to press for a widening of the technical education system.

OIL. — Venezuela's crude oil production up to last week averaged 2,343,786 barrels a day, an increase of 12.14 per cent over a similar period last year, the Ministry of Energy said. Crude oil production for the whole of 1978 averaged 2,165,830 barrels a day.

Advertisement for 'The Mighty Combination' featuring 'Better Results' and 'The Jerusalem Post'. Includes text: 'The effect of each advertisement is measured by the number of replies: it isn't the number of words that counts, nor the discount — when you want to do business, there is only one worthwhile classified column — Haluah Hakafal.' and 'Note! Only through Haluah Hakafal does your advertisement get record distribution in Israel's three most important and widely read newspapers!! — Haaretz, Yediot Aharonot, and on Fridays, also in The Jerusalem Post (if placed by Wednesday).'

Money Matters

Modest gains recorded in market rally

AVIV. — The share market yesterday continued the rally that started on Monday. Sectors of share trading again participated in the rally. However, the gains were generally of a modest nature, ending at just over 1%.

The index-linked bond market, on the other hand, turned mixed in quiet trading. The market following the major gains observed at the beginning of the week, nearly disappeared.

Prices varied but stayed within a range of one per cent in either direction.

The consumer price index for the month of July will be announced. A number of analysts have readjusted their predictions to about 5.5 per cent to a rise of 6 per cent.

The Bank of Israel is continuing to sell its issues of 80 per cent index-linked bonds.

The commercial bank shares continued to gain points yesterday. IDB, Hapoalim, Leumi and General Bank were all ahead by one point.

An anomaly occurred when an initial de-

Stocks & bonds—the market report

By JOSEPH MORGENSTERN
Post Finance Reporter

mand of some 1,365,000 for the Mizrahi (r) shares appeared while there was an offer of 11.1m. of the bearer shares.

The registered shares were raised by one point. However, the bearer shares, in spite of the relatively large offer, traded unchanged at 302.

Union Bank was unchanged at 277. Mortgage Bank issues advanced. Carmel (r) gained eight points to 208. Tefahot (b) continued to rise as it gained 11 points to 311. The Industrial Development Bank of Israel shares, in the wake of the bank's report of a doubling of profits last year, eased by nearly 4.5 per cent to 129.

Insurance issues improved broadly. Dan Barzel, an analyst at National Consultants,

told *The Jerusalem Post* that he thinks the market is placing a too low evaluation on insurance shares.

Archev options were up by 35 points to 560. A rally of 6.7 per cent. Phoenix IL5 rose by 5.1 per cent. Securitas gained 13 to 290.

In the services section Motor House took a drubbing as the shares were down by nearly a full 10 per cent to 683. The company will shortly be enlarging its share capital. By this move it is hoped that the shares will acquire a greater degree of liquidity.

Land development and real estate stocks also performed well. Africa-Israel IL4 shares were up by 110 points to 2,390, for a 5.1 per cent gain.

Leppo was a 10-point winner at 271. Mahadran lost 68 points to 923, and Pri Or was down 45 to 265.

In a rising industrial section Frutaron was active and rose by 5.5 per cent to 154.5. Israel Petrochemicals was a good feature as it rose by 5.5 points to 154. The company's options rose by 5.4 per cent, and the debentures were 6.5 per cent higher. Phoenix gained 5 per cent, but Shemen was down by the same figure as a result of a "sellers only" situation.

Losing prices on the Tel Aviv Stock Exchange

Symbol	Price	Change
Bank of Israel	277.00	0.00
Leumi	277.00	0.00
Hapoalim	277.00	0.00
General Bank	277.00	0.00
Mortgage Bank	208.00	+8.00
Carmel	311.00	+11.00
Industrial Development Bank	129.00	-4.50
Insurance	290.00	+13.00
Dan Barzel	683.00	-10.00
Motor House	683.00	-10.00
Land Development	2390.00	+110.00
Real Estate	154.50	+5.50
Israel Petrochemicals	154.50	+5.50
Phoenix	560.00	+35.00
Archev	560.00	+35.00
Phoenix IL5	290.00	+13.00
Securitas	290.00	+13.00
Shemen	290.00	-5.00
Frutaron	154.50	+5.50
Leppo	271.00	+10.00
Mahadran	923.00	-68.00
Pri Or	265.00	-45.00

Symbol	Price	Change
Bank of Israel	277.00	0.00
Leumi	277.00	0.00
Hapoalim	277.00	0.00
General Bank	277.00	0.00
Mortgage Bank	208.00	+8.00
Carmel	311.00	+11.00
Industrial Development Bank	129.00	-4.50
Insurance	290.00	+13.00
Dan Barzel	683.00	-10.00
Motor House	683.00	-10.00
Land Development	2390.00	+110.00
Real Estate	154.50	+5.50
Israel Petrochemicals	154.50	+5.50
Phoenix	560.00	+35.00
Archev	560.00	+35.00
Phoenix IL5	290.00	+13.00
Securitas	290.00	+13.00
Shemen	290.00	-5.00
Frutaron	154.50	+5.50
Leppo	271.00	+10.00
Mahadran	923.00	-68.00
Pri Or	265.00	-45.00

Representative bond prices

Symbol	Price	Change
6.5% Deface loan	355.00	+3.00
70 (Arts)	945.00	-8.00
75 (Ayn Heh)	945.00	-8.00
81 (Teh Aleph)	945.00	-8.00
90 (TZadi)	852.00	+3.00
4% Gov't Yield	1.65	-
Group 1 Yield	1.65	-
Group 2 Yield	1.65	-
Group 3 Yield	1.65	-
Group 4 Yield	1.65	-
Group 5 Yield	1.65	-
Group 6 Yield	1.65	-
Group 7 Yield	1.65	-
Group 8 Yield	1.65	-
Group 9 Yield	1.65	-
Group 10 Yield	1.65	-
Group 11 Yield	1.65	-
Group 12 Yield	1.65	-
Group 13 Yield	1.65	-
Group 14 Yield	1.65	-
Group 15 Yield	1.65	-
Group 16 Yield	1.65	-
Group 17 Yield	1.65	-
Group 18 Yield	1.65	-
Group 19 Yield	1.65	-
Group 20 Yield	1.65	-

New York Stock Exchange

Closing prices - August 14

Dow Jones Industrial Average: 276.33 up 1.25
Volume: 40,760,000

Symbol	Price	Change
Alled Chemical	27.00	-1.00
Am. Paper Mills	27.00	-1.00
Avco	27.00	-1.00
Borg-Warner	27.00	-1.00
Brantley	27.00	-1.00
Chrysler	27.00	-1.00
Eastman Kodak	27.00	-1.00
Eastman Chemical	27.00	-1.00
Eastman Pack	27.00	-1.00
Eastman Photo	27.00	-1.00
Eastman Tele	27.00	-1.00
Eastman Wire	27.00	-1.00
Eastman Paper	27.00	-1.00
Eastman Glass	27.00	-1.00
Eastman Metal	27.00	-1.00
Eastman Rubber	27.00	-1.00
Eastman Plastic	27.00	-1.00
Eastman Textile	27.00	-1.00
Eastman Lumber	27.00	-1.00
Eastman Brick	27.00	-1.00
Eastman Cement	27.00	-1.00
Eastman Steel	27.00	-1.00
Eastman Coal	27.00	-1.00
Eastman Oil	27.00	-1.00
Eastman Gas	27.00	-1.00
Eastman Electric	27.00	-1.00
Eastman Telephone	27.00	-1.00
Eastman Utility	27.00	-1.00
Eastman Transportation	27.00	-1.00
Eastman Retail	27.00	-1.00
Eastman Wholesale	27.00	-1.00
Eastman Services	27.00	-1.00
Eastman Finance	27.00	-1.00
Eastman Insurance	27.00	-1.00
Eastman Real Estate	27.00	-1.00
Eastman Construction	27.00	-1.00
Eastman Manufacturing	27.00	-1.00
Eastman Mining	27.00	-1.00
Eastman Agriculture	27.00	-1.00
Eastman Fishing	27.00	-1.00
Eastman Forestry	27.00	-1.00
Eastman Energy	27.00	-1.00
Eastman Chemicals	27.00	-1.00
Eastman Pharmaceuticals	27.00	-1.00
Eastman Biotechnology	27.00	-1.00
Eastman Aerospace	27.00	-1.00
Eastman Defense	27.00	-1.00
Eastman Space	27.00	-1.00
Eastman Nuclear	27.00	-1.00
Eastman Environmental	27.00	-1.00
Eastman Information	27.00	-1.00
Eastman Media	27.00	-1.00
Eastman Entertainment	27.00	-1.00
Eastman Leisure	27.00	-1.00
Eastman Hospitality	27.00	-1.00
Eastman Food	27.00	-1.00
Eastman Beverage	27.00	-1.00
Eastman Retail	27.00	-1.00
Eastman Wholesale	27.00	-1.00
Eastman Services	27.00	-1.00
Eastman Finance	27.00	-1.00
Eastman Insurance	27.00	-1.00
Eastman Real Estate	27.00	-1.00
Eastman Construction	27.00	-1.00
Eastman Manufacturing	27.00	-1.00
Eastman Mining	27.00	-1.00
Eastman Agriculture	27.00	-1.00
Eastman Fishing	27.00	-1.00
Eastman Forestry	27.00	-1.00
Eastman Energy	27.00	-1.00
Eastman Chemicals	27.00	-1.00
Eastman Pharmaceuticals	27.00	-1.00
Eastman Biotechnology	27.00	-1.00
Eastman Aerospace	27.00	-1.00
Eastman Defense	27.00	-1.00
Eastman Space	27.00	-1.00
Eastman Nuclear	27.00	-1.00
Eastman Environmental	27.00	-1.00
Eastman Information	27.00	-1.00
Eastman Media	27.00	-1.00
Eastman Entertainment	27.00	-1.00
Eastman Leisure	27.00	-1.00
Eastman Hospitality	27.00	-1.00
Eastman Food	27.00	-1.00
Eastman Beverage	27.00	-1.00

Bank of Israel representative foreign exchange rates—August 14

Symbol	Rate
US Dollar	26.4508
British Sterling	35.4773
French Franc	14.4473
West German Mark	13.1419
Swiss Franc	18.9727
Japanese Yen	6.2535
Italian Lira	5.0144
Spanish Peseta	6.9052
Portuguese Escudo	22.5224
Belgian Franc	25.3762
Dutch Guilder	16.0282
Austrian Schilling	9.0245
Swedish Krona	19.7874
Denmark Krone	12.2227
Norwegian Krone	12.2227
Israeli Sheqel	8.10

Tents, dinghies, compressors, motors

New British products

By MACAREE DEAN
Jerusalem Post Reporter

A RIDGE-TYPE family tent introduced by British firm is said to offer the space and privacy associated with tents of the frame type. The Freedom Miami ridge-shaped tent provides two separate, self-contained inner tent sleeping compartments, each for two adults and a child, and each measuring two metres by 1.3 metres with a 1.2 metre space between them. These inner tents are contained in an overall outer tent measuring 5.7 x 2.7 metres.

A CRAFT with the toughness and durability of a rigid wooden dinghy is collapsible and small enough to be carried by one person, easily transported on a family car's roof rack. The manufacturer says that the boat can be collapsed in less than half a minute.

AN AUTOMATED multi-process unit designed to heat, emulsify, cool and cold-store ice cream mixes in a single vessel in a push-button-controlled continuous sequence has been developed by a British firm. Constructed in stainless steel, it is offered in two versions for the hygienic processing of ice cream mixes in batches of 115 and 230 litres.

A PORTABLE extractor for removing the potential hazard of oil mist created by the cutting oils on lathes and other machinery has been developed. The equipment, which operates from the normal compressed-air supply in a factory, draws mist away, passing it through two filters and exhausts warm air to the surrounding area.

A HIGHLY EFFICIENT fibrous water repellent absorbent absorbs up to ten times its own weight in oil. Designed to clean up oil leaks and spills of up to about 10,000 litres, it is a non-toxic product composed of organic vegetable matter impregnated with oleophilic and hydrophobic agents. This chemical impregnation allows the saturated or unsaturated material to float on water for prolonged periods, absorbing only the oil.

A DEW-POINT meter to check the water content of a wide range of products during processing, before packaging, in storage or at retail



Chief of Staff Rav-Alim Rafael Eitan affectionately holds the hand of a bar-mitsva boy while at the same time pointing an admonishing finger at him. The scene took place Monday at the traditional annual celebration for war orphans at Kfar Habad which is sponsored by Bank Leumi.

London money brokers relent

LONDON (Reuters). — A Swiss-based firm yesterday became the first foreign member of the exclusive club of London money brokers after a four-year fight, including a complaint against the Bank of England to the European Economic Community (EEC) in Brussels.

The Bank of England said yesterday it had added to the list of recognized brokers in Britain allowed to handle foreign exchange and currency deposits the name of Sarabex Limited, a company with strong Middle East connections.

Sarabex joint managing-director Robert Ramsay told Reuters the company was unique in being the only foreign-based broker to gain entry to the London money market, the world's leader for foreign exchange.

It now joins 12 other brokerage firms who buy and sell foreign currencies and place deposits on behalf of clients rather than for their own account, the Bank of England said. Three other firms handle foreign exchange only.

Sarabex tried to move its main foreign exchange business from Beirut to London at the height of the Lebanese civil war four-and-a-half years ago, but failed to gain recognition from the trade, then represented by the London brokers' association.

The company, which could then only handle business from outside Britain, complained of discrimination and took the Bank of England before the EEC commission.

The Bank of England was asked by the commission last December to conform with practice in other EEC states by taking responsibility for licensing brokers.

The bank said yesterday Sarabex was licensed under a new code of practice, involving consultation with other recognized money brokers and the banks, the brokers' main customers.

STRIKE BANK. — Strikes by the 30,000-strong bank staff in protest at government plans to stagger working hours to save energy were declared illegal by an Athens court yesterday, acting on a lawsuit by bank governors.

Pound eases, dollar rallies

The British pound eased in London to wind up at \$2.2315, compared to \$2.2350 the day before.

Later dollar rates in other European centres, compared with late Monday, were: Frankfurt 1.8323 West German marks (1.8265); Zurich 1.6560 Swiss francs (1.6516); Paris closed for holiday (4.2522 French francs); Amsterdam 2.0145 guilders (2.0065); Milan 819.75 lire (817.50).

Experts attributed the dollar's modest rally mainly to expectations that new Federal Reserve chief Paul Volcker will take effective steps to curb a long slide.

The problems began two years ago when the market didn't like U.S. policies on inflation and the foreign trade gap as outlined at an International Monetary Fund meeting by ex-treasury secretary Michael Blumenthal.

Since then, the dollar has lost 22 per cent against the Swiss franc, 23 per cent against the British pound, 22 per cent against the West German mark and 14 per cent against the French franc.

Lack of confidence in the Carter administration's economic policies dragged the dollar to historic lows at the end of last October. To buy a dollar then took only 1,7283 marks, 1,4825 Swiss francs or 3,9925 French francs.

A belt-tightening package to support the dollar, announced in November, spurred only a partial recovery.

Compared with its much-weakened state last August, the dollar is down 14 per cent against the pound, down 5 per cent against the mark, down 2 per cent against the French franc and about even against the Swiss franc. It is up 15 per cent on the yen, largely because of Japan's oil supply and other economic problems.

Gold bullion prices closed lower in Zurich at \$294.875 a troy ounce, compared to \$297.375 the day before. At London, Europe's other major market, the price was \$295.75, compared to \$297.25.

Zurich dealers said the metal was pushed down by speculative selling in the morning but rallied later in the day. One trader said he expected a jump to \$298 an ounce today.

Kuwait ired as Lloyds declares Gulf a war zone

KUWAIT (Reuters). — Kuwait is consulting with other Gulf states to formulate a joint position over the recent decision by the giant Lloyds of London insurance firm to declare the Gulf a war zone. Kuwaiti officials said yesterday.

The commerce and industry ministry officials said the declaration had upset ship and tanker owners in the region.

Representatives of Kuwaiti insurance and re-insurance companies held meetings here during the past few days to study the situation, and convey to Lloyds "their deep resentment" at the move and the subsequent increase in shipping insurance costs, the officials said.

Last week, Kuwaiti chamber of commerce chairman Abdel-Aziz Al-Sakr attacked the move as a Western effort to exert political and economic pressure on the Gulf region.

The officials said the aim of the meetings was to formulate "a unified and deterrent stand" against the Lloyds' action.

Late last month, a Lloyds spokesman announced in London that the company's underwriters had declared the Gulf a war zone and would cancel existing insurance policies on the hulls of ships operating in the area.

The spokesman said the action was due to prolonged and apparently continuing hostilities in the area and said new policies with a war risk premium would have to be taken out.

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THE JERUSALEM POST
Editor and Managing Director: Erwin Frankel
Founded in 1932 by the late GERSHON AGRON...

IN SEARCH OF AN ALTERNATIVE

SIMCHA DINITZ, former Israel ambassador to the U.S., enumerates the elements necessary to satisfy all concerned parties in regard to Israel's eastern frontier.

Keeping Jerusalem whole

AFTER A LONG delay the Ministry of Interior yesterday announced a grant-in-aid to the Jerusalem municipality for local development projects. It is in the sum of IL100 million.

Mr. Kollek complained bitterly about the government's failure to make good on its soothing pledges of generous support for the upbuilding of Jerusalem.

Admittedly the municipality has been asking for more than the government could possibly afford to dispense.

At the moment, the government owes the city IL400m. for services rendered. Which is another way of saying that the city has made an unlinked loan to the government in that amount.

Perhaps, then, the small grant just allocated to Jerusalem should be viewed as the harbinger of bigger and better things to come.

El Al in the red

El Al lost a hefty \$23.9m. last year. It offers several explanations: the strike in April, the drastic reduction in transatlantic fares, the intrusion for the first time of charters, the rise in the cost of fuel, the closure of the Teheran route and, not least, the lag in the devaluation of the Israel pound.

A further reason not mentioned is that, at a period when the company was saddled with so many problems, its wage bill rose by 16.3 per cent per capita in dollars.

This suggests possibilities for streamlining in the future. Meanwhile the balance-sheet makes one thing clear at least, that despite its loss El Al is still a very solid concern in financial terms.

Contrary to popular opinion the Government keeps El Al on a short leash. It has provided only \$42m. of capital all told (as against assets now ten times as great).

Not surprisingly under the circumstances, El Al has never paid any dividends. Its accounts always showed a small profit or no profit at all.

The way things are going, the company's hard-built surpluses will gradually erode away.

It should be a source of pride to the national airline and its staff that they have never sought aid from the taxpayer.

The enterprise is capable of earning its keep, even during the present explosion of fuel prices. It must take the necessary measures — if it wants to stay in business.

IN THE PAST, though the U.S. and Israel were wont to argue over political steps, their final goals were generally agreed upon.

Israel's satisfaction with the results of Camp David was justified because the agreements reached there made possible a peace treaty with Egypt.

SOON, however, it became clear that such rejecting was premature. The Arab states, it was true, and at a certain stage the U.S. as well, were satisfied with Israel giving up its claim and right to demand changes on its eastern frontier.

IT IS CLEAR, then, that the Camp David agreement distinguished three situations: the establishment of autonomy in the transitional period; the determination of the final status of the areas; and the signing of a peace treaty with Jordan.

Israelis and will lead inevitably to a confrontation with Egypt and the U.S. in such a struggle a disunited Israel will find few if any allies.

Two committees are to be convened for these purposes: one, which will deal with the final status of Judea, Samaria and Gaza, will be composed of representatives of Israel, of Jordan and of the inhabitants of Judea, Samaria and Gaza.

IT IS POSSIBLE to argue, of course, that this is a non-starter because Jordan simply refuses to negotiate.

WE ARE NOW negotiating with Egypt about the establishment of autonomy and we are offering Jordan nothing to draw her into the picture.

READERS' LETTERS

HOUSING AND THE DROPOUT RATE

To the Editor of The Jerusalem Post Sir — Eight former prisoners of Zion recently warned that the dropout rate of Soviet Jews would continue to rise unless a solution were found to the housing shortage for new immigrants.

After 12 long years of refusals, physician Dr. Emanuel Neifach and his wife from Riga, were reunited with their son in Jerusalem.

Nearly two years ago, the Neifachs were promised a flat in block 403 of East Talpott. Tenants now live in the building, but the Neifachs could not move in because of a conflict between the builder and the Ministry of Immigrant Absorption.

they have been forced to remain at the Beit Giora Absorption Centre — certainly not an ideal place for permanent dwelling.

The story of the Neifachs and others like them circulate in Russia and take a heavy toll on aliya.

GLENN RICHTER, National Coordinator, The Centre for Russian Jewry with Student Struggle for Soviet Jewry, New York.

COMMITTEE ATTENDANCE

To the Editor of The Jerusalem Post Sir — There was a regrettable error in Judy Siegel's article, "A milestone in the life of Ronnie Milo" (July 28).

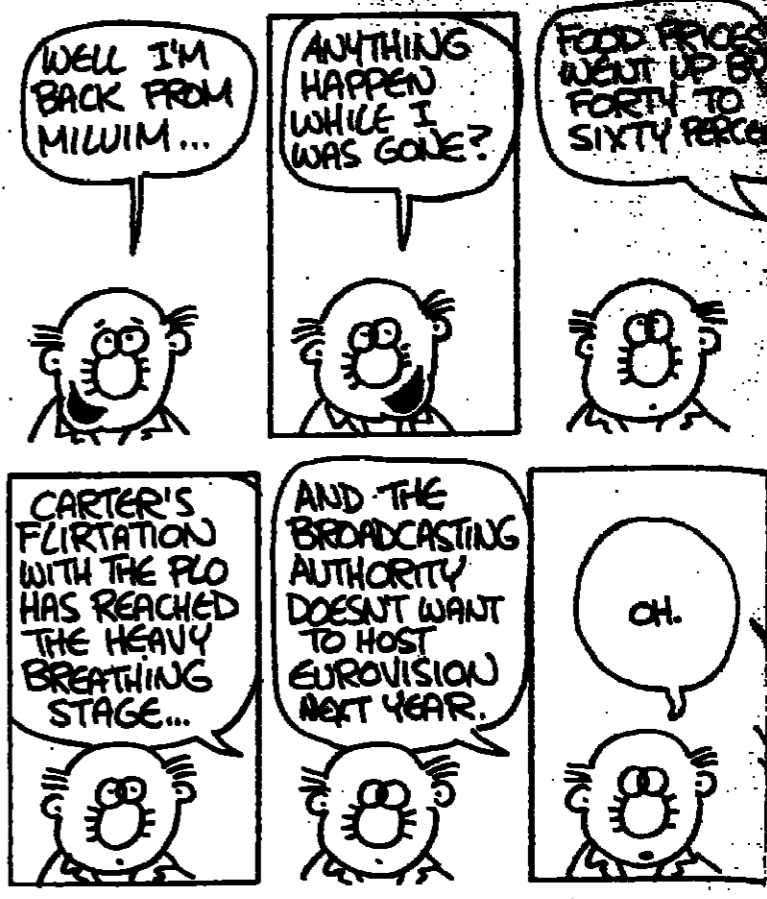
THE DEATH PENALTY

To the Editor of The Jerusalem Post Sir — Even after the heinous murder of the reserve soldier on his way home, I still support the majority both here and in many other countries in their opposition to the death penalty in principle.

There are many good reasons for this, which are both justified and convincing. Amongst others, it is well known that the death penalty will not deter fanatic terrorists and will induce their organisations to make martyrs of them.

In my opinion, drug dealers deserve the death penalty more than any other criminals. Nobody will defend them, nobody will make martyrs of them and, more important, the knowledge that the death penalty awaits them will undoubtedly prove to be a deterrent.

Dry Bones



Functional partnership during the transitional period can be attractive to Hussein only if he knows that in the end he will have a role in the final settlement.

Israel was always able to distinguish between the need to solve the Palestinian problem as a humanitarian issue, involving some 1 million people, and the territorial solution that must be reached within the framework of Jordan.

IT IS POSSIBLE to argue, of course, that this is a non-starter because Jordan simply refuses to negotiate.

ISRAEL cannot hope for more than this and no one in the world should expect Israel to agree to less.

Palestinians' maximal demands, every political settlement, it constitutes a compromise between the demands of the parties and creates a common denominator safeguarding the basic interests of each party.

Such an alternative plan will be seen by the world as a weak attempt by Israel to contribute to the solution of the Palestinian problem without imperilling its own security and without disturbing regional stability.

ISRAEL cannot hope for more than this and no one in the world should expect Israel to agree to less.

TIME August 20, 1979 ARAFAT: "I have few cards but strong ones." Arabs put on the pressure Broufman's Agency Ltd.

BALLANTINE LARGE FORMAT GIFT PAPERBACKS THE BOOK OF FAIRIES Beatrice Phillpotts YOGA, TANTRA and MEDITATION In Your Daily Life Swami Janakananda Saraswati AN ATLAS OF FANTASY J. B. Post THE ART OF THE BROTHERS HILDEBRANDT Ian Summers Again Available HUNDETWASSER Pierre Restany sole distributor Steimatzky's

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Yad Harav Maimon Jerusalem 21st Oral Law Conference THE CONCEPT OF PEACE IN THE HALACHA will be held during 27-29 Menahem Av 5739 (20-22/8/79) at the Mosad Harav Kook Building, Jerusalem. Opening Session Monday, 27 Menahem Av at 6.00 p.m. Second Session Tuesday, 28 Menahem Av at 10.00 a.m. Third Session Tuesday, 28 Menahem Av at 4.30 p.m. Fourth Session Tuesday, 28 Menahem Av at 8.30 p.m. Fifth Session Wednesday, 29 Menahem Av at 10.00 a.m. Closing Session Wednesday, 29 Menahem Av at 5.00 p.m.